

# Nichols

Assessment of the delivery of  
Donovan Report and other train  
performance improvement  
activities in Scotland



18 December 2018

L4Ni002



# Contents

Executive summary 1

Section 1: Background and methodology 2

Section 2: Findings and recommendations against mandate Part A (sample of Donovan recommendations) 7

Section 3: Findings and recommendations against mandate Part B (Performance Planning) 70

Section 4: Conclusions 80

Appendices 81

Appendix 1 – Glossary 82

Appendix 2 – Independent Reporter Mandate 84

Appendix 3 – Log of meetings held 87

Appendix 4 – Meetings observed 90

Appendix 5 – Documentation reviewed 91

Appendix 6 – Steer report gap analysis 95

# Executive summary

## Background

In December 2017 the ScotRail Alliance (comprising Abellio ScotRail and Network Rail) commissioned Nick Donovan, a former managing director of the Trans Pennine Express train operating company, to undertake a review and produce recommendations on how train performance in Scotland could be improved (the Donovan Report). This focused on the requirement to achieve a sustainable 92.5% Public Performance Measure (PPM) moving annual average (MAA) for passenger train services as required by Transport Scotland under the terms of the ScotRail franchise agreement.<sup>1</sup>

The Donovan Report was published in March 2018 and strongly recommends a ‘whole system’ approach to improving performance of the delivery of ScotRail passenger services. The ‘whole system’ approach is reinforced through a framework of six inter-connected themes:

1. Fixed assets
2. Fleet
3. Operating personnel
4. Train plan resilience
5. Recovery response
6. Performance management

---

<sup>1</sup> A glossary of terms used in this report is provided in Appendix 1



This framework was used to provide a structure for the report's 20 recommendations, which comprised a range of short-term specific initiatives and more long-term measures. ORR have stated that these recommendations represent the best chance of improving ScotRail's performance.

Since publication of the report, the ScotRail Alliance (Alliance) have progressed implementation of these recommendations, which represents the core of their overall 2018/9 Performance Improvement Plan (PIP). Performance has however continued to decline since the publication of the Donovan Report, and as of period 7 for 2018/9, PPM was 81.8% with a MAA of 87.3% compared to the 2018/9 regulated target of 92.5%. Against this background, in October 2018 Nichols were commissioned by the Office of Rail and Road (ORR) and Network Rail to undertake this Independent Reporter review.

## Methodology

The review mandate from ORR and Network Rail is provided in Appendix 2 of this report and comprises two elements of scope:

**A. The Donovan recommendations** – An analysis of the progress of implementing the recommendations. We agreed with ORR and Network Rail (after consultation with the Alliance) a sample of 10 of the 20 recommendations that we would assess the progress of.

**B. Performance planning** – An assessment of the Alliance's overall progress in addressing performance, including consideration of the recently published Steer report as well as an assessment of how the Steer report and other wider performance initiatives come together as part of an integrated approach to delivering performance improvement in Scotland.

For both parts our methodology comprised holding interviews with key personnel, observing key governance and management meetings, visits to site and undertaking a review of relevant documentation.

## Review findings

### A. Implementation of the Donovan Report recommendations

In accordance with our mandate we have focused in particular on progress in developing plans, reporting and governance, risk managements and roles and accountabilities. We refer to these four aspects as 'themes'. Our summary below sets out our observations on areas of progress and good practice and then areas for further improvement.

### **Areas of progress and examples of good practice in implementing the Donovan recommendations:**

The Alliance has accepted all the recommendations of the Donovan Report which forms the core of their Performance Strategy for this year and the basis for future performance strategies. It has provided the Alliance with a clear set of tangible initiatives for performance improvement based on a 'whole systems' approach.

Implementation of the Donovan recommendations has provided an increased focus and momentum around performance management which has pervaded across all elements of the Alliance structure, at both a senior and at a working level. This focus is necessary given the many demands on the Alliance's management time, with the operation of the railway often described as a 'high distraction environment'.

We observed a good understanding of the 'whole system' objectives of the Donovan recommendations and a 'can do', innovative and collaborative approach to performance improvement based on the principle adopted by the Alliance of 'Every Second Counts'.

There is a good understanding at an output level of what needs to be undertaken in order to implement each of the recommendations, as set out in Project Charters. Resource has been allocated to each recommendation, including a project manager and a sponsor and there is clarity of accountabilities and roles.

An enhanced reporting process was put in place in October 2018 to support the review of progress of the recommendations at a portfolio level. This includes the establishment of a Programme Management Office (PMO) which we consider to be a very positive step. The PMO is responsible for ensuring effective project controls across the portfolio of Donovan recommendations and has adopted a hierarchy of tools in regard to the development of plans and assessment of progress.

The progress reports are presented and discussed at the weekly Performance Control Room (PCR) and periodic Performance Executive Group (PEG), both of which have regular senior management attendance with clear ownership of actions.

In addition to the portfolio reporting processes, some of the recommendations that have a greater number of activities, for example Recommendations 1 (infrastructure resource efficiency) and 5 (autumn preparedness), have more detailed project management approaches, including the holding of regular Steering Groups, peer reviews and additional detailed progress reporting at the workstream level. This is good practice and we refer to this as a 'project based' approach in our report.

Progress across the portfolio is also reviewed by the Managing Director of the Alliance on a 12-weekly basis. We observed this meeting and there is clear evidence that action owners of specific



recommendations are being challenged. In addition, Nick Donovan has been retained by the Alliance and is providing effective support and guidance as part of progress reviews.

Implementation of the Donovan recommendations has encouraged further innovation across the Alliance regarding their approach to performance management, as evidenced for example from the 'whole system' measures put in place this year for autumn preparedness. Strong collaboration across the Alliance has led to a range of new initiatives being considered, for example the Performance Improvement Fund and Incident Learning Review initiatives.

The Alliance has recently taken steps to strengthen its performance management team through the recruitment of additional resource, which has provided an increased focus on developing plans to embed the Donovan recommendations into a sustainable programme of performance initiatives that build on the progress to date. This includes the recognition of a need to develop a longer-term integrated performance improvement plan which combines the activities from the Donovan recommendations and the range of other new initiatives that are under active consideration.

#### **Areas to further strengthen the approach to implementing the Donovan recommendations:**

Detailed plans to underpin individual recommendations are at varying levels of maturity. We are of the view that a more structured, consistent approach to detailed planning of implementation at the recommendations level should be undertaken. This can be done on a risk basis, noting that more detailed plans need to be proportionate to the scale and complexity of the particular recommendation (i.e. there is not a 'one size fits all' approach).

Progress of some of the 'quick win' initiatives, for example Recommendation 11 (right time departures at Whifflet station) and Recommendation 12 (right time departures at Milngavie station), has taken longer than first envisaged. We consider that the adoption of a 'project' based approach could have assisted their progress.

Recommendation 16 (Glasgow Electrics co-created operational delivery and recovery plan) would also significantly benefit from a 'project' based approach, enabling it to have added focus and structure. This is especially important for this recommendation given the potential significant contribution it could have in regards to overall performance improvement for Scotland. Our assessment of current plans for implementation of Recommendation 16 highlights the need to have a much more detailed work plan together with the establishment of a regular Steering Group to review and challenge progress. We also consider that the Alliance Executive should formally agree the outputs of what is required for this recommendation and regularly receive updates of progress. This is especially important given it is likely to involve a timetable change with consequent passenger impacts requiring discussion with Transport Scotland.

Whilst we recognise the early good progress made after establishing a portfolio reporting process, this needs to be further developed to ensure the right information is reported and escalated in order for senior management to obtain a deeper understanding of overall progress as well as focusing on key risks and issues. Furthermore, there is a lack of consistency between weekly and monthly reporting, and the risk management process is only at an embryonic stage. The PMO is aware of these issues and are taking steps to address them.

The reporting process also needs to measure progress against a baseline. For example, we are unable to fully assess progress of implementing the recommendations as start dates and baseline programme assumptions are not sufficiently detailed. The Alliance recognises that the reporting processes needs further development and we saw evidence that a draft baseline is being developed.

## **B. Steer report and an integrated approach to performance planning**

Our mandate asked us to assess the Alliance's overall progress in addressing performance, including an assessment of how the Steer report and other wider performance initiatives have been brought together as part of an integrated approach to delivering performance improvement. A summary of our findings is provided below.

The Donovan Report forms the core of the Alliance's performance plans for 2018. However, as mentioned earlier, there are also a number of other initiatives already in place and planned to be in place which complement this. There is clarity of responsibility within the Alliance for these initiatives, but they are not currently co-ordinated into a single Performance Improvement Strategy. We have seen evidence that the Alliance is taking steps to address this and resources are being put in place to develop an integrated strategy covering short term tactical performance measures but also more sustainable longer-term projects.

We have undertaken a high-level comparison of the relevant conclusions in the Steer report against the recommendations in the Donovan Report. It is important to stress that the approaches of the two reports are different; the Steer report being based on consideration of the Performance Planning Reform Programme process whereas the Donovan Report is based on a 'whole system' approach. Notwithstanding this, our comparison did not find any significant omissions from the Donovan recommendations. This helps confirm the Donovan Report as a basis for the Alliance's approach.

We understand from our discussions with Network Rail that a national response is being developed to the recommendations in the Steer report, which is being co-ordinated through the National Task Force (NTF). This includes developing a Performance Management System which provides a series of frameworks for the rail industry to manage performance initiatives. We would expect the Alliance to have an input into the

development of this system, including offering suggestions of best practice and assessing whether further improvements and refinement to their own co-ordinated performance strategy are needed.

The Donovan Report included the need to assess progress through a range of leading indicators (i.e. measures which reflect enabling activities in each aspect of the Donovan Systematic Performance Model) as well as their contribution to the outcome of that initiative (intermediate indicators), and their correlation where possible with overall performance improvement (lagging indicators). This is particularly important given that many of the Donovan recommendations are medium to longer initiatives and therefore there is a need to assess progress in regard to benefit realisation as they are being rolled out. We are of the view that the leading indicators and intermediate metrics for many of the Donovan recommendations in our sample are currently not sufficiently developed for the Alliance to fully assess progress against the outcomes of the initiatives. We accept that given the ‘whole system’ nature of train performance an exact correlation will be at times be difficult to determine. Nevertheless, we consider that more work is needed to raise the visibility of the outcome effects of the Donovan recommendations as leading and intermediary contributors to overall performance improvements. This in turn will assist in maintaining the momentum of the overall performance improvement programme and should help build confidence externally that improved performance outcomes are being achieved.

There is evidence of innovation and suggested ideas for improvement for future initiatives. There however needs to be a more formal approach to lessons learnt with regard to the initiatives for performance improvement as part of a process for continuous improvement.

## Conclusions

The Donovan Report has provided a framework for the Alliance to underpin a ‘whole system’ approach to performance improvements. This approach has been taken forward by the Alliance at all levels, from senior management to front line staff. There is a ‘can do’, collaborative approach to performance improvement and evidence of innovation. The recent strengthening of the Alliance’s Performance Team is already adding significant value and new initiatives are being planned that build on the momentum already established. Reporting of progress has recently been strengthened through establishment of a portfolio wide PMO and an initial reporting process has been put in place. There is plenty of evidence of activity taking place.

There are further improvements that can be made to the implementation of the Donovan recommendations covering planning, reporting and project management. We particularly highlight the need to complete the baselining process that will provide the Alliance with an improved ability to track progress, noting that many of the recommendations are not due to be complete until 2021. A comprehensive integrated Performance



Strategy that draws together all of the initiatives currently being progressed by the Alliance should also be completed.

Despite the evidence of significant activity in regard to the implementation of the recommendations since the publication of the Donovan Report, there has been a further decline in performance and this raises questions about when the positive effects from implementation of the recommendations will materialise and an increased reliance on the Donovan recommendations to deliver the expected improvements against the 92.5% regulated target by 2021. We therefore would like to emphasise the importance of completing the development of leading indicators and intermediate metrics to assess the benefits of each initiative during their implementation stage, including their overall contribution to PPM. The production of a performance model for Scotland (Recommendation 10) would also assist in demonstrating the individual performance contribution each recommendation is making.

**Our recommendations**

We have distilled our recommendations into 4 overall theme-based recommendations for Part A. For Part B we have made a further 3 recommendations. These are shown in table 1 below:

| Theme   | Recommendations |
|---|-----------------|
| <b>A. Implementation of the Donovan recommendations</b> |                 |
| <b>Plans</b>  |                 |
| <b>Governance and reporting</b>                         |                 |
| <b>Risks</b>  |                 |
| <b>Roles and Responsibilities</b>                       |                 |



| <b>B. Integrated performance planning</b>  |  |
|--|--|
| <b>Benefits</b>                            |  |
| <b>Longer term sustainability</b>          |  |
| <b>Learning and continuous improvement</b> |  |

Table 1: Summary of our theme-based recommendations



# Section 1: Background and methodology

## Introduction

Train performance in Scotland has been declining in recent years. A Performance Improvement Plan (PIP) was initiated in 2016 to address this, however, since the autumn of 2017 performance has continued to decline as shown in Figure 1 below.

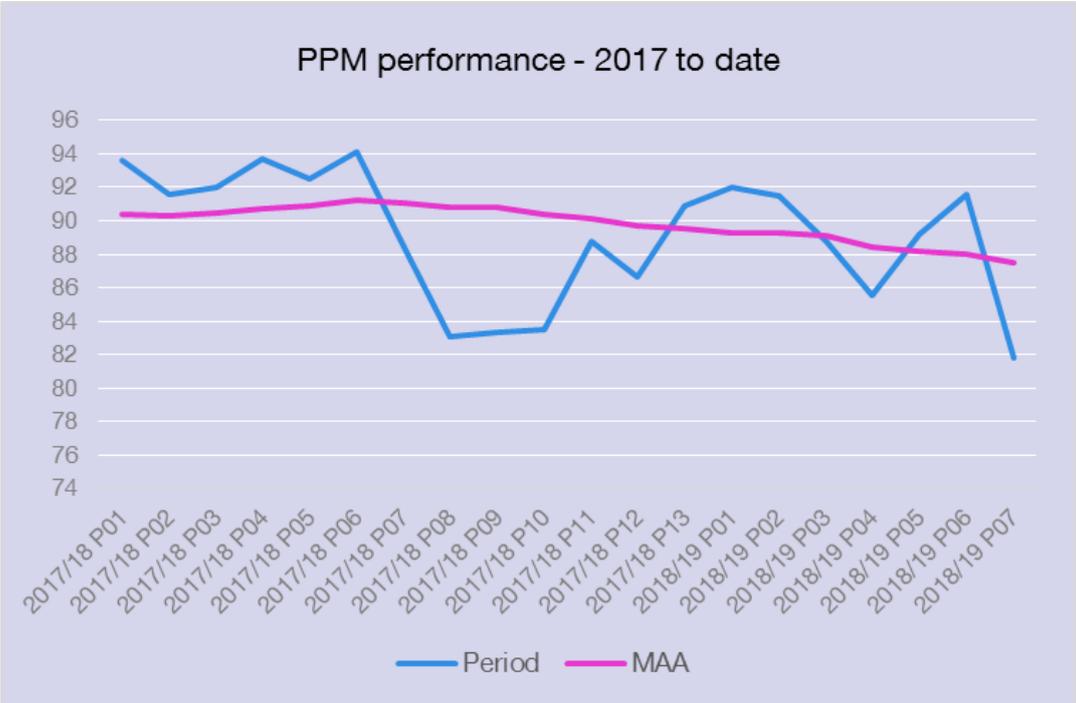


Figure 1: PPM performance in Scotland



In January 2018 the ScotRail Alliance (comprising ScotRail and Network Rail) commissioned Nick Donovan, a former Managing Director of the Trans Pennine Express train operating company, to undertake a review and produce recommendations on how train performance in Scotland could be improved. The report focused on the requirement to achieve a sustainable 92.5% Public Performance Measure (PPM) Moving Annual Average (MAA) for passenger train services as required by Transport Scotland under the terms of the ScotRail franchise agreement.

The Donovan Report was published in March 2018 and considers a whole-system approach to the delivery of the various activities that come together to deliver ScotRail passenger services. The core of the report is structured in accordance with the six themes of this model: fixed assets, fleet, operating personnel train plan resilience, recovery response and performance management. The model recognises the importance of the foundations of reliable infrastructure, reliable fleet and available operating personnel in building a reliable system, whilst requiring a plan which is resilient to day-to-day minor perturbation and slight variability in the performance of the assets and people. These six themes are summarised in Figure 2 below.

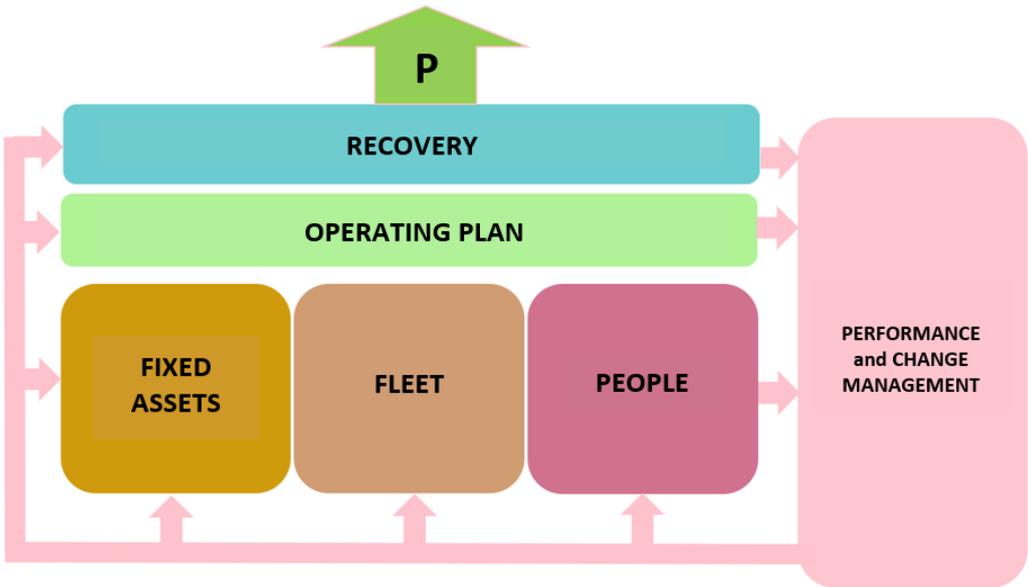


Figure 2: The Donovan Performance Model



Below these six themes the report makes 20 specific recommendations comprising a range of short-term specific initiatives together with more longer-term measures. Since publication of the report, the Alliance have progressed implementation of these recommendations, which represents the core of their overall Scotland 2018/19 Performance Improvement Strategy. Despite the commencement of the implementation of these recommendations, performance continues to decline and as of period 7 2018/19 PPM is 81.8% with an MMA of 87.3%.

In view of this decline in performance, in October 2018 Nichols were commissioned by the ORR and Network Rail to undertake an Independent Reporter assessment of the Alliance's progress in implementing these recommendations.

In addition to the Donovan review, in August 2018, on behalf of the National Task Force (NTF) Steer produced a draft report on Performance Strategies. This report highlighted that there are serious shortcomings in this process across the network. It concluded that "The application of overall process is not currently fit for purpose – the strategies are not embedded into the daily operation; current strategies do not drive significant intervention and there is a need to transform the performance strategy". These observations are based on a national review across all train operating companies and ORR is interested in how they apply to Scotland's performance planning. Our report therefore provides a commentary on the Steer conclusions in so far as they relate to this.

## Methodology

The mandate we were set by the ORR and Network Rail is provided in Appendix 2 of this report. Based on the requirements in the brief our assessment comprises two parts:

**Part A: The Donovan recommendations.** Our mandate asked us to assess progress of a sample of 10 of the 20 recommendations comprising the following:

Recommendation 1 – Infrastructure Resource Efficiency

Recommendation 4 – Remote Diagnosis of Infrastructure Condition

Recommendation 5 – Autumn Preparedness

Recommendation 7 – Improved Fleet Maintenance Planning

Recommendation 11 – Right Time Departures from Whifflet Station

Recommendation 12 – Right Time Departures from Milngavie Station

Recommendation 16 – Operational Delivery Plan and Recovery Plan for Glasgow Electrics

Recommendation 18 – Diversionary Route Knowledge

Recommendation 19 – Restart Control Room and Performance Executive Group

Recommendation 20 – Performance Tools and Processes

**Part B: Performance planning.** An assessment of the Alliance’s overall progress in addressing performance, including consideration of the recently published Steer report, including an assessment of how the Steer report and other wider performance initiatives come together as part of an integrated approach to delivering performance improvement in Scotland.

For both parts we held interviews with key personnel which are listed in Appendix 3 and observed a number of key governance meetings which are listed in Appendix 4. In addition, and in full recognition of the need to understand the Donovan recommendations as part of a ‘whole system’ approach, we visited a number of sites across the Scotland network that are associated with our sample 10 recommendations. This includes the West of Scotland Signal Control Centre, Shields Depot and Westerton station (the latter in the context of Recommendation 11 – right time departures at Whifflet). During these visits we discussed a wide range of performance issues with locally based staff associated with frontline delivery. We have also undertaken a review of key documentation which are listed in Appendix 5. We have structured our report based on our findings for Parts A and B.

For Part A, for each of our sample recommendations we have undertaken an analysis of progress against the following criteria as set out in our brief:

- Whether fit for purpose plans are in place
- The extent of reporting and governance processes and whether these processes are fit for purpose
- Whether the risks to the recommendation are being properly managed both within the workstreams and across the portfolio
- An assessment of whether roles and responsibilities across the Alliance are clearly defined

Section 2 sets out our findings in connection with the Donovan Recommendations within our sample along with the supporting evidence for these findings. When assessing the recommendations, we have observed a number of common themes. Our recommendations in regard to these common themes and some further recommendations that are specific to relevant individual Donovan Recommendations are also set out in section 2.

For Part B, we have undertaken analysis of the Alliance's overall approach based on the following questions as set out in our mandate:

- How effectively is the Alliance implementing its performance improvement activity?
- Whether the Performance Improvement Plan (of 2016), the Donovan recommendations and the Performance Strategy for 2018/19 come together in a coherent plan?
- Any plans Network Rail is developing to respond to the recommendations in the Steer report to the NTF on performance strategies?

Our observations from these Part B topics are summarised in Section 3 together with our recommendations.

We would like to record our appreciation for the significant support, collaboration and openness the Alliance and Nick Donovan have given us throughout this review. This has enabled us to test our thinking on an emerging basis and to follow up on specific areas to obtain further information where necessary before completion of this report.

# Section 2: Findings and recommendations against mandate Part A (sample of Donovan recommendations)

## Introduction

In regard to the delivery of the Donovan recommendations our mandate asked us to consider:

- Whether fit for purpose plans are in place
- The extent of reporting and governance processes and whether these processes are fit for purpose
- Whether the risks to the recommendation are being properly managed both within the workstreams and across the portfolio
- An assessment of whether roles and responsibilities across the Alliance are clearly defined

In this section we consider the Alliance's overall approach to implementing the Donovan Recommendations, including the identification of a number of common themes from our sample review. We make a number of recommendations in regard to these common themes and also set out specific recommendations against each of the Donovan Recommendations covered by our review. Our detailed observations and supporting evidence are also provided in this section.

## Overall approach to programme management and governance and associated common themes identified from our review

### Plans

#### Project Charters

Early in the implementation of the Donovan recommendations, a charter document was prepared for each of the 20 recommendations. We have reviewed the charters for the workstreams within our study sample and found that these are based on a standard template which identifies the Sponsor and Project Manager together with summary requirements arranged under the following headings:

- Problem statement
- Target condition
- Context, scope, analysis and constraints
- Stakeholders
- Outline implementation plan
- Key performance measures and success measures

We consider that the use of charter documents is good practice and it provides a clear and consistent statement of scope and the high-level approach to be taken for each workstream. The charters are generally watermarked 'awaiting update'. They should be updated and reissued as soon as possible to reflect current requirements and then baselined with any subsequent amendments being controlled through a change control process.

#### Plans to implement each of the Donovan recommendations

Detailed plans for progressing the content of each charter are at varying levels of maturity. For example, there are a comprehensive set of structured plans for Recommendation 1 and 5, however, for Recommendation 16 there is a lack of a detailed plan. We are of the view that a more structured 'project based' approach is required regarding the development of plans. The level of detail at which projects are defined and planned will vary across workstreams depending on the complexity of what needs to be done and whether activities are arranged into projects within the workstream (as for Recommendation 1). We would expect the Programme Management Office (PMO) (see below) to reflect this as it continues to develop the programme documentation. It may assist Project Managers from a non-project background if the PMO is able to work with them to develop an appropriate level of definition within their plans.

## The Programme Management Office

A PMO was established in October 2018 which we consider to be a very positive step in the overall portfolio management of the work to implement the recommendations. The PMO is responsible for establishing effective project controls across the portfolio of Donovan recommendation and has adopted the following hierarchy of tools in regard to the development of plans:

**5-step life-cycle model** – This includes a ‘measure’ step to test benefit realisation and a feedback loop if additional remedial work is required

**Project Register** – Broken down by the Recommendation workstreams, together with completion dates, lists of Project Managers and Sponsors, commentary on current status and a Red, Amber, Green (RAG) status

**Milestone Plan** – Fed by a P6 schedule

We strongly support the approach being adopted by the PMO and note that a period of time is needed for the processes to be fully refined and embedded. The PMO recognises that the tools developed to date are currently at varying levels of maturity and that further work is needed to develop them.

In addition, the workstreams from each recommendation that feed the Project Register need to be at the right level of granularity in order to provide sufficient visibility of progress to the PMO and management (recognising that the degree of granularity will vary from one recommendation to another depending on scale). Furthermore, as evidenced by Recommendation 16, there needs to be greater consistency of the content of the workstreams being managed at an individual recommendation level and those being reported to the PMO.

The milestone plan is held in Primavera P6 and shows milestone dates for activities within each workstream. This is a useful first stage of capturing the schedule and we would not expect a programme of this nature to require the same level of scheduling as, for example, a construction or engineering project. However, we do recommend that the PMO continues to develop the schedule so that major activities and significant inter-relationships are identified. In developing the P6 model commencement dates for each activity should be identified in order to facilitate accurate progress reporting. These additions will improve management information and facilitate greater objectivity in tracking and reporting progress both on individual workstream and overall. In particular we consider that the P6 milestone plan should ensure that all the milestones have clear measurable descriptors and that they are baselined so performance can be accurately measured, with amendments being managed through a change control process.

None of the workstreams included in our study had a project execution plan (or equivalent document). We do not think it necessary for a programme of this nature to use very detailed execution plans, however, there would be value in producing such plans (with their detail varying depending on the complexity of the individual recommendation). This could be achieved by adding a second page to the updated charters to set out, for example, RACI's (Responsible, Accountable, Consult, Inform), quantified time bound targets for benefit delivery, details of assumptions, risks, dependencies, resource constraints and deliverables. Review and approval of this information would provide an opportunity for Sponsors and more senior management to confirm that they remain content with the direction of each workstream.

We also consider there would be merit in introducing a 'value of work done' type measure of progress based on delivery of each workstreams benefits. This would depend on development of a balanced set of intermediate metrics (as discussed elsewhere) and its feasibility should be further considered by the PMO as part of developing the 'measure' function within its 5-stage project model.

## **Governance and reporting**

### **Governance**

Governance arrangements are set out in the Alliance's 2018/19 Performance Strategy. We have observed these arrangements operating through the Performance Executive Group (PEG) and the Performance Control Group (PCR) which are both attended by senior management from across the Alliance. We consider that these meetings provide a good framework for assessing and managing progress and steps have been taken to increase management attention at a portfolio level. We also observed the 12 weekly review chaired by the Managing Director of the Alliance where Project Managers and Sponsors are held to account.

Beneath this programme-wide governance structure, Sponsors and Project Managers make their own arrangements to review progress and make decisions about the workstreams. We have seen detailed meeting and reporting arrangements for the multi-faceted workstreams associated with Recommendations 1 and 5 and more simple, weekly Sponsor and Project Manager update calls for less complex workstreams have been described to us. However, we have found that there is inconsistency of approach across the whole programme. For example, for Recommendation 16, given the scale of these proposed changes and impact on performance, we are of the view that a formal regular Steering Group to review performance should be put in place.

## Reporting

The PMO is introducing a standard suite of reports. This comprises: weekly reports; monthly reports and the Project Register. In addition, written and verbal reports are given within workstream teams and at the PCR. We believe that this reflects good practice, however, it is at an early stage and requires further development. In particular:

- The monthly reports (to 19 October 2018) are well populated apart from the risk section which is still under development.
- The weekly reports (week ending 26 October 2018) are not fully populated. We have seen a later summary report which suggests that all workstreams were contributing to this report by 2 November 2018.
- The reports are concise (which is appropriate) however this inevitably means compromising on the depth of coverage. We are concerned that by focusing on only the next upcoming two milestones there is a possibility that any key risks to overall delivery of a workstream may be obscured.
- A one size fits all reporting structure means that the status of complex workstreams such as those for Recommendations 1 and 16 may be over simplified. The PMO should consider how the 'plan on a page' reporting used on Recommendation 1 could be better integrated into the reporting process and applied to other, complex workstreams.
- There is currently a risk of confusion between the different reporting formats, in particular between the weekly summary, project register and monthly dashboard. As the reporting process matures the PMO should take care to ensure that the relationship between reports and the relevance of each is understood across the project and management teams.

## Risk management

Risk management across the programme is still immature. This is recognised by the PMO and we have been told that this will be addressed in the next monthly reporting cycle. We would expect to see risks that apply to the overall portfolio as well as those specific to the individual recommendations. Such risks should be fed to the PMO by the Project Managers with risks clearly articulated, extent of possible impact, a view as to what mitigations should be put in place and clarity as to who is accountable. Based on this information the PMO can then determine the top risks to be escalated for senior management attention. As noted later in this report we also recommend that risk management considers risks to delivery of the expected benefits from each workstream as well as the more traditional focus on completion of activities and processes.

## Roles and responsibilities

Our observations confirm that roles and responsibilities are understood and applied in the context of the Alliance structure. Each Donovan recommendation has a Sponsor and a Project Manager and other participants are identified in the charter documents. One of the Sponsors left the programme during our study. A replacement was quickly identified and appointed from amongst the Project Managers and new Project Managers were appointed to backfill from within the project teams. This demonstrates that the organisation is resilient and that there is good understanding of the requirements of the workstreams within their delivery teams.

We have observed that most of the workstreams are being delivered in parallel with team members' day jobs. Dedicated resources have been brought in to strengthen teams (for example, the PMO and the workstreams to deliver Recommendations 1 and 16) however, we have also heard of risks associated with the limited capacity of key individuals (for example, in the operational planning area). We suggest that resource levels are reviewed as part of the baselining of the programme and are thereafter kept under review and reported by the PMO. Associated with this, we suggest that RACI tables are included in updated charter documents so that the extent of each team member's commitment is more visible and critical resources can be more readily identified across the programme.

## Conclusions

Based on our assessment across the 10 sample recommendations we make the following conclusions:

1. The Alliance has adopted a good overall 'whole system' approach to implementing the Donovan recommendations.
2. There has been a recent improvement in the approach to programme management and resourcing. It is important that this is followed through, including the development of an appropriate risk reporting process, so that the comprehensive set of tools envisaged by the PMO becomes embedded in the Alliance's ways of working.
3. More work is needed to baseline develop plans for each recommendation (whilst still remaining concise) so that they better set out the methodology for each workstream and, in particular provide more detail of the benefits to be delivered. The risk process is relatively immature and needs further development.



4. An improved ability to quantify benefits and when they are expected to be delivered coupled with development of the network wide performance model envisaged by Recommendation 10 will improve stakeholder confidence that the Donovan recommendations taken with the other measures discussed in Part B of our mandate will lead to the required improvements in performance in Scotland.

**Recommendations**

Table 2 below summarises our recommendations regarding common themes we have observed across our sample of the 10 Donovan recommendations.

| Plans  |
|--|
| 1. Charters for each workstream should be updated and reissued as soon as possible to reflect current requirements and then baselined with any subsequent amendments being controlled through a change control process.  |
| 2. Project Execution Plans (PEP's) should be developed for the implementation of each charter, noting that the level of information required will vary between each recommendation.  |
| 3. A review should be undertaken to ensure that planning documents such as the charter, project register, milestone plan and 'plans on a page' are fully aligned and have a suitably granular approach to defining the activities to be undertaken and benefits to be delivered. |
| 4. The PMO should urgently complete its work to fully establish a project baseline in order to better assess progress of each recommendation. This should also include the baselining of intermediate metrics for assessment of benefit realisation.                             |
| 5. The Milestone Plan should be developed into an activity-based schedule which shows the main activities for each workstream and significant interrelationships. The PMO should review and define the minimum level of scheduling needed to effectively manage each workstream. |

| Governance and reporting   |
|--|
| 1. PMO reports for complex workstreams should be expanded and should provide greater assurance regarding overall progress rather than focussing on final completion.   |
| 2. The PMO should confirm that all reports are fully populated. The source of reported data and the relationship between each report should be clarified as part of the PMO's ongoing work to improve project definition and management processes. |

3. There needs to be a clearer line of sight and escalation route through the different levels of governance, from daily calls, to the weekly PCR meeting, the monthly PEG meeting and the Alliance Executive. This is to provide better assurance to higher tiers of management that initiatives remain on track to deliver their benefits with all significant matters included in reports and based on common data.
4. Where RAG ratings are used in reports, the basis of ratings should be transparent and consistent across workstreams.

### Risk management

1. The PMO should continue development and implementation of a comprehensive approach to risk management
2. Risk management processes should consider risks to delivery of the expected benefits from each workstream as

### Roles and responsibilities

1. Resource levels should be reviewed as part of the baselining of the programme and are thereafter kept under review and reported by the PMO.
2. Associated with (1), RACI tables should be included in updated charter documents so that the extent of each team member's commitment is more visible and critical resources can be more readily identified across the programme.

Table 2: Part A Common Themes

## **Recommendation 1 – Infrastructure resource efficiency should be reviewed and discussed at the Alliance Board**

### **Summary of the recommendation**

Donovan Recommendation 1 is part of the group of eight recommendations which relate to the fixed assets element of the performance model. The recommendation aims to improve the quality of maintenance work through a combination of better management of access to the railway, improved planning of work and increased levels of productivity. This is a wide-reaching recommendation which goes to the heart of how Network Rail's maintenance delivery units operate. The recommendation is as follows:

### **Recommendation 1 Infrastructure resource efficiency should be reviewed and discussed at the Alliance board**

I recommend that the Alliance Board reviews the efficiency of resource utilisation in the delivery of value adding works and post-work completion checking activity. The monitoring must consider the impact on resource utilisation efficiency from non-value add activity including; waiting time for cessation of train services; electrical isolation time; possession set-up and work site access times; access and transit times for people, tools and equipment; time wasted in rework or due to failure of plant. Consideration must be given to improving train berthing arrangements at stations with the aim of maximising the level of non-disruptive maintenance access. The objective of this recommendation is to drive a system wide consideration of arrangements that will increase the efficiency of resource utilisation and an increase in value-add activity.

### **Activity undertaken and scope of analysis**

We interviewed the acting Infrastructure Director and Sponsor for this recommendation and the Area Services Manager (Scotland) as the lead manager for the workstream. We also attended the Recommendation 1 Steering Group meeting.

## Assessment against mandate questions

### Plans

The Alliance has developed a charter for the Recommendation 1 workstream which identifies 11 activities across the following broad topics:

- Alignment of access and train operations
- Access footprint available
- Tools and techniques applied

The charter seeks to deliver a target condition whereby: “Optimal use of repeatable, predictable access such that the quality of work and reduction in backlog improve asset performance in the measured KPIs”.

Beneath the charter, the PMO applies a structured project definition and reporting system which is followed for Recommendation 1. Within this framework, we have reviewed the Milestone Plan, a Gantt chart produced from the master programme in Primavera P6. The Milestone Plan shows 15 projects and 65 activities for Recommendation 1. Due to the wide scope of the Recommendation 1 workstream, the project team has established more detailed ‘plan on a page’ documents for the projects. ‘Plans on a page’ for 14 projects were provided in the pack discussed at the Steering Group meeting which we observed.

We make the following observations:

- The Steering Group version of the Charter identifies 16 projects within the Recommendation 1 workstream. All but one of these map to the Milestone Plan.
- The charter includes an outline implementation plan which covers financial year 2018/19. This shows four strategic stages of project start-up and does not immediately map to the Milestone Plan. Now that work has advanced, we suggest that this is reviewed and consideration is given to identifying critical milestones associated with each of the projects within the workstream. This would add to the value of the charter as a strategic definition document linked to reporting baselines.
- As noted above, the Milestone Plan covers 15 of the 16 projects identified within the Recommendation 1 workstream. Each of the milestones are shown against a timeline stretching from August 2018 to February 2020.

- Showing plans at a milestone only level does not allow the underlying activities, their interrelationships and progress to be readily tracked. Our observation of the Recommendation 1 Steering Group suggests that there are interactions between the projects within the workstream and improved visibility of these can be expected to improve management's ability to ensure that the benefits are delivered at the earliest possible time.
- The following projects within Recommendation 1 do not have any milestones identified:
  - Signaller workload
  - Risk Based Maintenance
  - Organisational change
  - Communications plan

These activities should be captured by the PMO in an update to the master schedule.

In addition, three projects (Planning Communications, Depot Mobilisation and Isolations) only show a single milestone. It is not obvious from the description that these fully represent the scope of these projects.

We would expect to see more detailed planning information in support of the milestones in the 'plan on a page' documents which contain a more detailed statement of the projects than is possible in the charter. These documents are more of the nature of reports with much of the information being live for updating every four weeks. We think this is an appropriate approach however, we suggest that a section on benefits planned and realised would be useful.

'Plan on a page' documents were not provided in the Recommendation 1 Steering Group pack for all projects. The following were missing:

- Planning competency
- Risk Based Maintenance
- Communications Plan

One additional plan was provided. This covers project governance and control.

The 'plan on a page' documents each include a section on Key Milestones. We found that there was almost no correlation between the milestones described and those in the Milestone Plan. We also observed that the documents were not fully completed for all Recommendation 1 projects. We think that these are important documents and that they should be reviewed, completed and aligned with the PMO suite of planning documents as a matter of urgency. This can be expected to improve the visibility and efficient delivery of the benefits of the Recommendation 1 workstream.

The mismatches between planning information in the various documents are recognised by the workstream's management team. They intend to work with the PMO to address this.

We note that the Recommendation 1 workstream does not have a PEP or equivalent document. This has to some extent been recognised by the introduction of a 'project governance and control' plan on a page however this is still at an early stage of development. We do not consider that a complex or prescriptive PEP is necessary for workstreams such as this, and we have made recommendations about this in the programme section of this report.

### Reporting and governance

High level reporting of the Recommendation 1 workstream is provided in the PMO weekly and monthly reporting packs. We understand that the Sponsor has established a weekly conference call to review progress, however we did not observe this as part of our review. In addition, the workstream Project Manager holds a monthly Steering Group meeting which includes progress reports from the leaders of each project.

We comment on each of these reports below.

### PMO weekly report

We reviewed the weekly report for the Recommendation 1 workstream dated 2 November 2018. This is not fully consistent with the information presented at the Steering Group meeting.

The Steering Group report identifies 6 'key issues' which have been flagged as red (significant risk of not meeting the objective). We are concerned that the weekly report does not appear to provide early warning of these emerging issues. It is possible that this is because reports such as the project register are based on a RAG assessment of the final milestone for each project and this is shown as 'green'. This may be more a reflection of optimism about long term outcomes than the shorter-term issues. Because of this, we think that the PMO's standard approach to reporting may need to be adjusted for complex and/or long term workstreams like that for Recommendation 1.

### PMO monthly report

We reviewed the monthly report for 19 October 2018.

As with the weekly-report, we accept that a rolled-up report is appropriate, however we would expect to see some acknowledgement of the concerns which are identified in the more detailed Steering Group report so that these can be discussed with senior levels of management.

### Steering Group report

As described above, the monthly report to the Recommendation 1 Steering Group contains 'project on a page' reports for 13 of the 16 projects identified in the charter plus Project Governance and Control. The report also includes the most recent weekly report, a summary of progress to date, next steps and a 'RAG' programme report. The last of these is an extract from the PMO Project Register. As stated previously, we think that this is a good basis for reporting the status of the Recommendation 1 Workstream (and, potentially, a model for the workstreams associated with other, complex recommendations). As we have noted, more work is needed to ensure that these reports:

- Cover all projects within the workstream
- Are aligned with PMO reports
- Improve the tracking of targeted benefits and their delivery
- Increase the prominence and escalation of risks and issues so that these are appropriately visible in weekly and monthly programme reports

We observed the monthly Steering Group meeting on 7 November 2018. This was well attended and managed with a fast-paced review of the material set out in the briefing pack (noting that this did not include all of the 17 projects within the workstream). We saw good interaction between team members from each alliance member and a degree of challenge between projects. It was clear from the discussions that many of the projects are interlinked.

We note from discussions at the Steering Group meeting that work is ongoing to develop KPIs for this workstream and we think that this should be a priority. We discuss elsewhere the importance of identifying intermediate metrics which demonstrate that each workstream is delivering improvements that are related to the overall performance model and these should be considered along with wider KPIs.



## Risks

Risk management is included in the project management and reporting processes described in the programme section of this report. It is currently relatively immature. Our review of the Recommendation 1 workstream identified the following issues:

- The 'project on a page' reports provide risk ratings against 'key issues', 'actions this period' and 'key milestones'. These are expressed as 'RAG' ratings with an additional 'black' category as shown below. We consider that this is a useful approach which can help to readily identify areas needing attention.

| Rating | Status  |
|--------|---|
| Black  | Not yet commenced                                     |
| Red    | Significant risk of not meeting the objective         |
| Amber  | Ongoing, no significant risk of meeting the objective |
| Green  | Complete or nearing so with no risk to objective      |

- We note that the risk ratings appear to focus on delivery of specific actions or activities rather than on whether these activities will be effective in delivering PPM benefits. We consider that a more balanced approach would be beneficial whilst noting that such an approach would benefit from development and agreement of intermediate metrics and progress on the operational model envisaged by Recommendation 10.
- Not all projects within the Recommendation 1 workstream have identified risks to their delivery. For those that have, the status is shown below. This highlights that there is a significant level of key issues with risks associated with their delivery. It is also of concern that the method of classification ignores risk on activities which have not yet commenced.

| Category            | Significant risk of not meeting the objective | Ongoing, no significant risk of meeting the objective | Complete or nearing so with no risk to objective | Not yet commenced / unclassified |
|---------------------|---|---|--|----------------------------------|
| Key issues          | 8   | 15  | 7  | 4                                |
| Actions this period | 1   | 5   | 1  | 0                                |
| Key milestones      | 1   | 20  | 35   | 10                               |



- Of the risks categorised as ‘significant/red’, approximately half relate to resource availability or workload with a further quarter relating to access to or support from key people. These matters are likely to have a direct impact on the rate at which benefits are realised and should be actively managed and/or escalated.
- Discussions at the Steering Group meeting suggested that the potential acceleration of Recommendation 16 to deliver benefits from the May 2019 timetable could delay implementation of Recommendation 1. We have not seen this concern being escalated.
- As the PMO introduces a standardised approach to risk management it is important that any changes to classification or reporting should be carefully briefed out so as to avoid any confusion if the existing approach is modified. The workstream management team have recognised that this is an issue which they intend to resolve in conjunction with the PMO.

### **Roles and responsibilities**

The Alliance has appointed a Sponsor and Project Manager to oversee the workstream with separate leaders and Project Managers appointed for each of the project areas to be delivered under the charter. During our review the Sponsor left the programme and was replaced by the interim Infrastructure Director who had previously been the Project Manager for Recommendations 1, 2 and 4. This change appears to have been effected smoothly and is helped by the continuity of involvement. In a similar way, the Project Manager has been replaced from within the team with interim support from the Change Programme Manager.

We understand that all of the projects within the workstream have a Lead Manager and Project Manager named although we have only seen details of these for the projects included in the Steering Group pack.

The Alliance is in the process of recruiting five project support staff to assist with progressing this workstream. The enhanced team will work on the Donovan and other performance related activities and on the associated Control Period 6 efficiency programme. To date, one of the five staff members is in post.



**Summary and conclusions**

We summarise our key findings against each question within our mandate in table 3 below:

| Summary of findings against Mandate question 1  |   |
|---|---|
| <p><b>Plan</b></p> <ol style="list-style-type: none"> <li>1. The Recommendation 1 workstream has plans in place and these extend to a more detailed level than for other, less complex workstreams.</li> <li>2. There is no single PEP. Given the scale of this workstream we consider that concise execution plan would assist in better identification of linkages between projects, resource requirements and availability, risks and the benefits to be delivered.</li> <li>3. We have identified 17 projects within the Recommendation 1 workstream however not all of these have a ‘plan on a page’ document, there are also discrepancies between the charter, milestone plan and ‘plans on a page’ which should may affect the effective delivery of this workstream. Once aligned, change control should be applied to ensure continued alignment between PMO and project team planning documents.</li> <li>4. ‘Plans on a page’ require attention to improve consistency of presentation and to ensure that all relevant issues, activities and milestones are identified and maintained up to date.</li> <li>5. The work on KPIs should be progressed to assist in identifying key intermediate metrics and targets for the benefits to be delivered.</li> </ol> | <p><b>Reporting and governance</b></p> <ol style="list-style-type: none"> <li>1. A weekly and monthly reporting process is in place although the monthly updates of ‘plans on a page’ for the Steering Group do not cover all projects.</li> <li>2. There is an apparent disconnect between the level of ‘red’ rated matters identified in the ‘plan on a page’ reports and the ‘green’ ratings given in the PMO reports. This requires further investigation and resolution to ensure that risks and issues are escalated when necessary.</li> </ol> |



|   |   |
|---|---|
| <ol style="list-style-type: none"> <li>1. Risk management is relatively immature. Risks are</li> <br/> <li>2. Risks are not being considered on activities which</li> <br/> <li>3. Risks may not be being escalated appropriately.</li> </ol> | <ol style="list-style-type: none"> <li>1. We understand that a full complement of Sponsor</li> <br/> <li>2. The recent change in sponsorship and project</li> </ol> |
| <p><b>Overall</b></p>   |   |

Table 3: Summary findings for Recommendation 1

Based on these findings our recommendations for Recommendation 1 are shown in table 4 below:

| <b>Donovan Recommendation 1    corresponding Nichols recommendation</b>   |
|---|
| <ol style="list-style-type: none"> <li>1. A review should be undertaken to ensure that planning documents such as the charter, project register, milestone plan and ‘plans on a page’ are fully aligned and have a suitably granular approach to defining the activities to be undertaken and benefits to be delivered. Once complete a baseline should be established and change control applied.</li> </ol> |
| <ol style="list-style-type: none"> <li>2. A project execution plan (or equivalent document) should be developed to promote more detailed consideration</li> </ol>   |



- 3. PMO reports for complex workstreams such as this should be expanded and should reflect significant emerging
- 4. KPIs and intermediate metrics should be developed urgently. These should be used to increase the focus on
- 5. The PMO should continue development and implementation of a comprehensive approach to risk management

**Specific Recommendations**

- 6. The status and focus of the Recommendation 1 workstream should be discussed with the Alliance Board to obtain confirmation that the focus of individual projects, their timescales and potential benefits are in line with the board’s requirements.
- 7. The Steering Group reporting pack should be developed so that each project has a ‘plan on a page’. ‘Plans on a page’ should be fully populated and consistent across the workstream. Benefits arising from the workstream should be defined and their delivery measured.
- 8. A check should be undertaken in early 2019 to ensure that recent changes to sponsorship and project management arrangements have bedded in successfully.
- 9. Resource requirements and availability should be reviewed to ensure that the projects within this workstream are able to progress to programme.

Table 4: Summary Nichols Recommendations for Recommendation 1

## Recommendation 4 – Provide strategic engineering leadership for the remote diagnosis of infrastructure condition

### Summary of the recommendation

Donovan Recommendation 4 is another of the group of eight recommendations which relate to the fixed assets element of the performance model. The recommendation is based on the premise that Network Rail's ongoing investment in remote condition monitoring and intelligent infrastructure provides opportunities for the early detection of deteriorating asset condition so facilitating intervention before the deterioration leads to failure. The recommendation is framed narrowly in terms of appointing an engineering resource to lead exploitation of remote condition monitoring however, it goes on to expand on what the engineer should be responsible for. The recommendation is as follows:

#### Recommendation 4 Provide strategic engineering leadership for the remote diagnosis of infrastructure condition

I recommend that that a system engineer be appointed to lead the strategic development of Intelligent Infrastructure and enable expansion of the capability for remote diagnosis of infrastructure condition. This resource must have access to detailed sub-system design knowledge and access to specialists in the supply chain to understand detailed design parameters of components. This resource must set out a strategic approach to the interpretation of asset monitoring outputs and to the setting of alarms for intervention to complement the largely experiential approach that is currently deployed for developing and managing the system on a day-to-day basis. The role should hold targets for increasing the level of interventions identified between P and F on the P-F curve<sup>2</sup> that have demonstrably prevented failure occurrence.

The workstream set up to deliver this recommendation has broadened the remit to encompass greater installation and use of remote condition monitoring rather than just appointing the engineer.

---

<sup>2</sup> The P-F curve is explained on page 26 of the Donovan Report.

## Activity undertaken and scope of analysis

We interviewed the acting Infrastructure Director and Sponsor for this recommendation and the Project Manager.

## Assessment against mandate questions

### Plans

The Alliance has developed a charter for the Recommendation 4 workstream. This identifies the following six activities:

- Outline the process followed to define programme and the programme outputs
- Share the intelligent infrastructure journey so far
- Seek endorsement on the vision and direction of travel
- Be clear on what it will take to realise the benefits of all Intelligence Infrastructure predictive tools and all the challenges we will face
- Issue KPIs and begin weekly control room sessions
- Use control rooms to drive improvement areas

The charter seeks to 'improve the availability of our infrastructure by understanding what is likely to go wrong when and the impact a failure will have on the railway, so we can intervene before it impacts the train service'.

We note that the original recommendation to appoint a lead system engineer is not prominent in the charter. Whilst there is merit in expanding the use of Remote Condition Monitoring (RCM) ahead of the appointment, we have not seen any evidence that this has been subject to review or change control.

Below the charter, the PMO Milestone Plan shows 30 activities for Recommendation 4. These are grouped as follows:

- Strategy
- People
- Technology

- Process
- Performance

The differences between the charter document and the Milestone Plan make it difficult to understand the expanded scope of this workstream and the full set of performance benefits that it seeks to deliver. Notwithstanding this the Project Manager provided a clear and logical description of the expanded scope.

We make the following observations:

- The Project Manager demonstrated a strong understanding of the benefits of RCM and of the importance of meeting the seven scope objectives listed above. Evidence provided demonstrated that RCM can contribute to avoiding asset failures.
- The Project Manager's objectives go significantly beyond the narrow requirement of the recommendation and appear to be relevant to the overall objective of improving performance. We think that the project plans should be revised and re-approved so that there is a clear and agreed path to delivering the full RCM related benefits which are implicit in this recommendation.
- In particular, a clear date should be established for appointment of the RCM engineer and the associated team. It seems important that the post holder is in place early enough to influence the way in which RCM is managed to maximise the impact on PPM.
- It appears that the Recommendation 4 workstream is being run mainly through 'business as usual' channels. Whilst this is generally appropriate, a more 'project' based approach may provide increased focus to delivery to the required timescales.

### Reporting and governance

High level reporting of the Recommendation 4 workstream is provided in the PMO weekly and monthly reporting packs. We also understand that the Sponsor has established a weekly conference call to review progress, however, we did not observe this as part of our review.

We comment on each of these reports below.

### PMO weekly report

The weekly report dated 26 October 2018 has only very limited information. The only information provided is an 'amber' rating against the next two planned milestones.

## PMO monthly report

We reviewed the monthly report for 19 October 2018. This is supplemented by the Project Register which suggests that the overall status of the Recommendation 4 workstream is 'amber'.

Our overall view is that reporting against the Recommendation 4 workstream is currently not adequate. We accept that the example reports provided to us reflect a relatively early stage of development by the PMO, however, coupled with the confusing definition of the project plan, it is difficult to differentiate progress against the Donovan Recommendation from general management of RCM assets and the data generated by them.

We note that the Project Register provides an assessment of percentage completion and RAG status for each 'project' within the workstream however, the basis for this is not clear. Greater transparency should be provided to improve confidence in these reports and to ensure that their messages are understood and acted on.

The KPIs appear to embrace general use of RCM as well as specific benefits arising from the Donovan Recommendation and some are unclear about what is to be measured. We discuss elsewhere in our report the importance of identifying intermediate metrics which demonstrate that each workstream is delivering improvements that are related to the overall performance model and, for this workstream these may include the measure of delays mitigated which is referred to above.

## Risks

Risk management is included in the project management and reporting processes described above however, as we have identified elsewhere, this is relatively immature.

At present the following risks are identified in reports:

**Milestone DR-252 (People)** – Raise with HR and create A2CO for role of RCM Engineer – 'amber' confidence level.

**Milestone DR-253 (Technology)** – Workload Capacity Review – 'amber' confidence level.

**Milestone DR-001(People)** – Potential IR issues surrounding T&C's of current control centre technicians and the proposed role of control monitoring technician – flagged as 'top risk / concern'.

In our interview, the Project Manager expressed a view that all aspects of the Recommendation 4 workstream are managed within the infrastructure team and so there should not be any significant risks to



delivery. There is a logic to this, however, it should be verified as the PMO extends its risk management approach to the workstream.

**Roles and responsibilities**

As we have noted above, the Project Manager for this workstream demonstrates a strong understanding and commitment to improving the use of RCM and this is very positive. As we have also noted previously, changes to the Sponsor and Project Manager have recently occurred however, these have been managed by exiting team members stepping up to their new roles as Sponsor and Project Manager. This appears to have been well managed, however, the position should be checked after a few weeks to ensure that team members have sufficient time and other support to undertake their new roles. The charter lists eight people by name as having a role on this workstream. We are of the view that their respective roles should be clarified and documented.

**Summary and conclusions**

We summarise our key findings against each question within our mandate in table 5 below:

| Summary of findings against Mandate question 1   |   |
|--|---|
| <p><b>Plan</b></p> <ol style="list-style-type: none"> <li>1. The activities described by the Project Manager appear to be relevant to extending the use of RCM. They are, however, wider than the specific Donovan Recommendation.</li> <li>2. There is poor correlation between the charter, Milestone Plan and scope described by the Project Manager. These should be aligned as soon as possible.</li> <li>3. Improved focus on appointment of the RCM engineer should be provided so that they can contribute to the workstream as soon as possible.</li> <li>4. Intermediate metrics and targets should be finalised so that the contribution of this workstream to improving PPM can be better understood and tracked.</li> </ol> | <p><b>Reporting and governance</b></p> <ol style="list-style-type: none"> <li>1. A weekly and monthly reporting process is in place, however, the weekly report provided to us was incomplete.</li> <li>2. These reports focus on the next two milestones and so do not provide a full picture of the status of the workstream. A more comprehensive picture was provided by the Project Register and the basis for and linkage between these reports should be clarified.</li> </ol> |



|   |   |
|---|---|
| <p><b>Risks</b></p> <ol style="list-style-type: none"> <li>1. Risk management is relatively immature across the whole Donovan programme. Visibility of risks within the Recommendation 4 workstream is limited and a review is needed to confirm the Project Manager’s view that there are no significant risks to delivery.</li> </ol>   | <p><b>Roles and responsibilities</b></p> <ol style="list-style-type: none"> <li>1. A Sponsor and Project Manager are in place.</li> <li>2. Roles and responsibilities of team members identified in the Charter should be clarified.</li> </ol> |
| <p><b>Overall</b></p> <p>This workstream is being enthusiastically led and there is a clear vision that it can deliver benefits. We are of the view that this should be better harnessed through improved planning documents and, as we have identified elsewhere, a concise PEP may be useful to focus and confirm objectives and the practical aspects of delivery as well as to stimulate alignment of the various project planning tools.</p> |   |

Table 5: Summary findings for Recommendation 4

Based on these findings our recommendations for Recommendation 4 are shown in table 6 below:

| Donovan Recommendation 4 corresponding Nichols recommendation  |
|--|
| Common Theme Recommendations   |
| 1. A review should be undertaken to ensure that planning documents such as the charter, project register and                           |
| 2. A project execution plan (or equivalent document) should be developed to promote more detailed consideration                        |
| 3. PMO reporting processes should be reviewed to ensure that reports are fully populated. Consideration should                         |
| 4. KPIs and intermediate metrics should be finalised urgently. These should be used to increase the focus on                           |
| 5. The PMO should continue development and implementation of a comprehensive approach to risk management across the Donovan programme. |

### Specific Recommendations

6. A check should be undertaken in early 2019 to ensure that recent changes to sponsorship and project

Table 6: Summary Nichols Recommendations for Recommendation 4

## Recommendation 5 – Review and agree autumn preparedness at the Alliance Board

### Summary of the recommendation

Donovan Recommendation 5 sets out the need for a clear plan, at a whole systems level, that delivers a step change in the number of initiatives introduced and implemented to tackle autumn performance effects. This plan needs to be reviewed and agreed by the Alliance Board.

The recommendation is as follows:

### Recommendation 5 Review and agree autumn preparedness at the Alliance Board

The preparation for Autumn including vegetation management, deployment of the Rail Head Treatment Train and resilience of the operating plan should form an agenda item at the Alliance Board and, given the lead time for activity, should stand as a rolling 12-month review. Board members should consider future plans based upon historical evidence, including consideration of trends in location specific significant incidents. Stakeholder considerations, including reputational impact that might arise from changes in the level of mitigation activity, must be considered. The Alliance Board might consider there is merit in similarly reviewing other plans for seasonal preparedness.

### Activity undertaken and scope of analysis

The cumulative performance outcome of Periods 7-9 in 2017, generally accepted as representing Autumn, was the worst for the past 12 years, with the exception of 2010 which was impacted by severe winter weather during the same three periods. In response to this, and in implementing this recommendation, the Alliance has significantly stepped up investment this financial year for autumn preparedness from £3m to £13m.

We interviewed Network Rail's Head of Infrastructure Support Services (Project Manager for this recommendation) on 30 October 2018, and again on 22 November alongside the Seasons Delivery

Specialist (Scotland Route). During our visit to Shields Depot we discussed the effectiveness of the autumn preparedness work to date with the Head of Depots for ScotRail, and also with the West of Scotland Operations Manager) at the Springburn West of Scotland Signal Control Centre as well as on site at Westerton station. In addition, we observed the mid-autumn review meeting on 14 November 2018 as well as assessing the suitability of the metrics currently being used to determine the effectiveness of the measures being implemented for autumn preparedness.

## Assessment against mandate questions

### Plans

We reviewed the plan for autumn preparedness that was submitted to and agreed at the July 2018 meeting of the Alliance Board. We can confirm that there is a clear plan of activity comprising some 23 workstreams that are categorised under the themes of: infrastructure, train, timetable, staff and communications. Each workstream has a defined deliverable, cost, programme and owner. The plan is updated on a regular basis with a commentary of the current status of each workstream.

Examples of key workstreams that have been strengthened for this autumn in line with Nick Donovan's advice include the following:

- An increased de-vegetation programme (circa £7m)
- An increase in the Rail Head Treatment Train circuits from 213 to 304 (circa £3.2m), including to locations that in the past were not covered (for example, the West Highland Line). These circuits are planned to be undertaken between 1 October and 7 December
- A significantly strengthened traction gel application programme from 38 to 92 (circa £425k)
- Increased leaf fall teams from 11 to 15
- Spraying of wheel sets
- Dedicated staff assigned to an autumn control desk

The plan has been subject to extensive discussion within the Alliance and subsequent refinement over the summer period before submission to the board. The plan is based on a 'whole system' approach drawing on lessons learnt from previous autumns. All but two of the originally identified workstreams have been implemented. Rail grinding of the North Electrics and Argyle route was cancelled for week 25 due to Storm Ali (with the consequent slot for running lost) and the proposed minor timetable service adjustments for the same route were not approved by Transport Scotland.

## Reporting and governance

From our interviews with the Project Manager it is clear that there is an established reporting and governance process. A daily report is produced of progress of the autumn measures together with a summary of daily performance including performance related to autumn effects. This report is produced by the Autumn Control Desk. The report is discussed at a daily conference call. There is also a weekly meeting to discuss progress and agree suggested mitigating actions.

In addition to these daily and weekly activities, the Alliance has established an autumn review Steering Group, the purpose of which is to discuss and review at a more strategic level the plan for autumn preparedness and the effectiveness of the measures to date, including the application of learning as part of continuous improvement. This Steering Group first met on 20 September 2018 to review the plan prior to the autumn season commencing ('pre-autumn review'). A number of actions were recorded at this meeting with each having clear owners across the Alliance. We observed the second Steering Group on 14 November 2018, which was a mid-autumn review. This meeting had good attendance across the Alliance and reviewed progress of the principal work streams within the autumn preparedness plan. We note that the meeting was conducted in a collaborative, 'whole system' approach with a strong emphasis on holding action owners to account and reviewing lessons learnt that can be subsequently applied to future years. For example, there was extensive discussion on the underlying causes of the unreliability of the Rail Head Treatment Train and what could be undertaken to address this for the remainder of the autumn period. Mitigating actions were proposed to improve reliability and the project team will be holding contractor to account for implementing these actions.

In regard to reporting to the PMO, the 23 workstreams for this recommendation are rolled up into the five themes described above for the weekly and monthly portfolio report that feeds the weekly PCR and monthly PEG. This aggregation of information has the effect of losing the granularity of progress of the individual workstreams, therefore hindering the ability to report on progress of specific initiatives, for example, the progress of the de-vegetation workstream (which represents the largest single element of expenditure for the autumn preparedness programme). However, as mentioned above the daily and weekly meetings in place to manage this recommendation largely provide the opportunity to escalate risks issues to the PCR and PEG in any event.

In regard to the metrics used for reporting purposes the daily reports provide information on the progress of the individual initiatives (input measures). Examples include the number of water jet sites for the rail head treatment train and the number of leaf fall teams on shift. Actual daily progress against daily target is reported with a cumulative target to date. This is good practice.

As well as input measures the daily report provides data on the autumn PPM effect. From the reports we have assessed to date, we do not see a direct correlation of the success of the individual initiatives and their contribution to overall PPM benefits. It is also understood that there may have been some performance events wrongly attributed to autumn delay, for example, wrong side track circuit failures that were incorrectly identified using Intelligent Infrastructure. We are of the view that further consideration should be given by the Alliance to the most appropriate measures to assess the effectiveness of the autumn initiatives. This includes assessing the effect of autumn PPM performance against pre-autumn period 7 data, including a comparison with the data for the same time period for previous years.

### Risks

We did not see evidence of a structured risk register but from our interviews as well as observing the mid-autumn review meeting it is clear that risks and proposed mitigating actions are discussed on a daily basis. Examples include the performance of the Rail head Treatment Trains (RHTT) and Multi-Purpose Vehicles (MPV), the cancellation of rail grinding, weather conditions and the effect wrong side track circuit failures were having on the overall performance data relating to autumn. We are of the view that a more structured approach to risk management would be of benefit to the Alliance, which would also assist in learning lessons and preparing plans for future years.

### Roles and responsibilities

There is clarity in the Alliance regarding roles and responsibilities for implementing this recommendation. A dedicated team has been established led by a Project Manager. There is strong leadership, collaboration and innovation based on a 'whole system' approach as evidenced during our observation of the autumn preparedness meeting. There is significant discussion regarding how to improve further based on learning, including the need to further consider the merit of implementing small timetable changes when needed on specific sections of the railway as an additional measure to improve autumn performance. We observe that a more structured approach to lessons learnt may be of benefit to the Alliance, including the preparation of a business case for such small timetable changes that can be discussed with Transport Scotland.



## Summary and conclusions

We summarise our key findings against each question within our mandate in table 7 below:

| Summary of findings against Mandate  |   |
|--|---|
| <p><b>Plan</b></p> <p>1. There is a clear structured plan which has been approved by the Alliance Board.</p> | <p>1. There is a regular reporting progress and this</p> <p>2. We note that the reporting to the PMO is at too high</p> |
| <p>1. Risks and lessons learnt are discussed regularly but</p>   | <p>1. Roles and responsibilities are clearly defined and is a</p>   |

Table 7: Summary findings for Recommendation 5

Based on these findings our recommendations for Recommendation 5 are shown in table 8 below:

| Donovan Recommendation 5 corresponding Nichols recommendations  |
|---|
| <p><b>Common Theme Recommendations</b></p> <p>1. A more structured approach to risk management and lessons learnt should be applied to the autumn preparedness programme.</p> |

### Specific Recommendations

2. Greater assessment is needed regarding the contribution the individual initiatives have to overall autumn PPM

Table 8: Summary Nichols Recommendations for Recommendation 5

## Recommendation 7 – Put in improved fleet maintenance planning processes

### Summary of the recommendation

One of the enablers to performance is the quality of train maintenance, including the time made available for both planned and unplanned maintenance. Critical to success is the certainty of handover and handback of the fleet from service operation and maintenance activities, including in particular certainty of arrival at the depots. Ensuring a consistent approach to arrival time should allow for a longer period of maintenance time, and should lead to better quality of planned maintenance as well as creating some headroom for potential additional unplanned maintenance should this be needed. In turn, this should lead to improvements in overall train reliability, which can contribute to improved overall performance. By aligning operation and train maintenance plans as part of a whole system approach significant improvements in train arrival times at depots can be achieved.

### Recommendation 7 Put in improved fleet maintenance planning processes

I recommend a thorough review of the arrangements both for long and short-term planning of maintenance activities alongside the operating plan to secure a regular beat rate of activity and enable efficient utilisation of fleet maintenance resource. The level of divergence from the plan must be measured and improvement targets set to support a whole-system view of maintenance planning. The planning arrangements, operational control processes and depot management arrangements must target certainty over both the handover and handback arrangements for fleet between the service operation and maintenance activities. Timely achievement of both handover and handback must be measured with continuous improvement targets set.

### Activity undertaken and scope of analysis

We interviewed ScotRail's In-service Fleet Manager (Project Manager for this recommendation) on 1 November 2018. During our visit to Shields Depot we also discussed in detail the effectiveness to date of the measures put in place to improve the punctuality of trains arriving at the depot and the benefits this

additional time had on train maintenance with the Head of Depots for ScotRail. We also reviewed train arrival data for key depots and discussed this with the West of Scotland Operations Manager at the Springburn West of Scotland Signal Control Centre.

## Assessment against mandate questions

### Plans

From our interview and discussions at Shields depot it is clear that this initiative is being progressed with significant focus based on a 'whole system' approach across the Alliance. The activities associated with this recommendation have been taken forward through existing resources and processes, and, as such, it has not been necessary to create a specific project team with dedicated resources. The recommendation has helped provide the front-line activities of the Alliance with an increased focus on the importance of right time arrival and departures at depots as a contributor to overall performance.

The Project Charter describes the strategy for implementing this recommendation, and sets out a clear target which assumes all trains arrive at their depots for maintenance on time (recorded at each location identified by specific train diagrams). The plan has already delivered some improvements in depot arrival train reliability, which for some diagrams has enabled maintenance activities to commence at around 2200, an hour earlier than previously. This increases available time for maintenance from around six hours to seven hours and therefore provides additional time for quality checks of planned maintenance activities before trains commence morning peak service. In addition, there is greater time for undertaking remedial work for unplanned maintenance and other ad hoc measures, for example we heard from the Head of Depots there could be the opportunity to undertake mid-life door maintenance work to improve door reliability for trains on the West of Highland line that are susceptible to salt ingress in the door sills which affects reliability. This improvement in train arrival time has been facilitated in part by additional resource being allocated to the West of Scotland Signal Control Centre, whose purpose is to focus on ensuring greater priority of train diagrams to the depot following the end of passenger service and also to advise depots of late arriving trains when necessary to enable alternative maintenance arrangements to be implemented.

The charter is supported by a plan comprising 12 workstreams with target dates for their completion. These workstreams are action orientated and focus on the key measures required to improve arrival and departure punctualities. The plan could benefit from a clearer articulation of who is accountable for each workstream (recognising there is not a dedicated project team) as well as being updated on a regular basis to show what has been completed and what is still outstanding.

## Reporting and governance

From our interviews it is clear that progress of this recommendation is regularly reported: monthly for each depot and on a quarterly basis across all Scotland depots, with the latter providing the opportunity for good practice and lessons learnt to be shared from one depot to another. In addition, progress is reported via the Performance Control Room on a weekly basis.

For reporting to the PMO, the 12 individual workstreams are rolled up into four themes:

- Shields
- Inverness
- Governance
- Maintenance control

There is a commentary against each of these four themes but the benefit descriptors for each theme do not correlate to the theme objectives. Furthermore, the granularity of the specific 12 workstreams is lost, making it difficult to assess actual progress. We recognise however that the PMO reporting process is still under development, however more work is needed to ensure that meaningful information on progress of this recommendation is reported to the PMO.

In regard to metrics, the weekly report records the percentage of actual arrival times against the target arrival times, per depot and per class of train. This is also rolled up to cover all Scotland depots. There is also rolling summary performance report (showing trends from one week to another) with a trend line showing average progression over time. We reviewed the summary report ending week commencing 21 October 2018 which showed the trend line to be around 91%, an improvement of 6% since 20 May 2018 (the earliest data shown in the summary report). The report therefore shows there has been a demonstrable improvement in right time arrival at depots across Scotland. However, what is not shown is how late those trains that did not arrive on time were and what were the reasons. We are of the view that the Alliance should supplement their existing report with this additional information. We would also expect the Alliance to be developing measures that show the effect of improvements in right time arrivals on overall train performance. An example could be the correlation between additional door maintenance and overall door reliability.



## Risks

From our interview with the Project Manager and our visit to Shields depot we obtained a good insight into the risks associated with implementing this recommendation, including the availability of a minimum number of HST sets and Class 385s for the December 2018 timetable change (as, without these units, old stock will still need to be maintained alongside new and at greater frequencies). This appears on the programme risk register and is discussed at the Performance Control Room. We would however expect this recommendation to have a more structured approach to risk management, including a focus on output risks, for example risks of the improvement in right time arrivals not flowing through to better train performance.

A further risk we discussed with the Alliance was whether this initiative was being considered with Hitachi with respect to their depots (it is understood that around 20% of the ScotRail fleet will be maintained by Hitachi). We consider that it is essential that this initiative is taken up by Hitachi to ensure the 'whole system' benefits are maximised across Scotland.

## Roles and responsibilities

There is clarity on roles and responsibilities with a designated Project Manager who is responsible for the implementation of these workstreams, with support from Engineering, Operations, Train Planning and the Performance functions of the Alliance based on a whole system approach. The strengthening of resource at the West of Scotland Signalling Control Centre has given added focus to this approach. From our visit to Shields depot it is clear that the initiative to secure right time arrivals of trains is understood at a working level and there is a strong management focus for continuous improvement, including learning lessons.

## Summary and conclusions

We summarise our key findings against each question within our mandate in table 9 below:

| Summary of findings against Mandate   |   |
|---|---|
| <p><b>Plan</b></p> <ol style="list-style-type: none"> <li>1. There is a clear plan based on a ‘whole systems’ approach which has been communicated to and bought into by all sections of the Alliance.</li> <li>2. The objectives of this recommendation are fully understood at a working level across the depots.</li> </ol>  | <p><b>Reporting and governance</b></p> <ol style="list-style-type: none"> <li>1. Progress is reported at a periodic and quarterly basis across all depots in Scotland with clear targets and right time arrival data reporting.</li> <li>2. Reporting to the PMO could be improved to provide sufficient level of granularity of progress against the key workstreams.</li> </ol> |
| <p><b>Risks</b></p> <ol style="list-style-type: none"> <li>1. There is a good understanding of risks but there would be benefit of a more structured approach to risk identification, reporting and escalation.</li> </ol>  | <p><b>Roles and responsibilities</b></p> <ol style="list-style-type: none"> <li>1. There is clarity of roles and responsibilities across the Alliance and the initiatives are being implemented.</li> </ol>   |
| <p><b>Overall</b></p> <p>There is a clear focus across the Alliance in improving right time arrivals and departures at depots to assist in fleet maintenance planning based on a ‘whole system’ approach. More work is needed however to establish the intermediate metrics to demonstrate the contribution this has made to increased train reliability and therefore overall performance. Additional data should also be sourced for those trains that are not arriving and departing on time and their underlying reasons, so further plans can be put in place as part of continuous improvement.</p> |   |

Table 9: Summary findings for Recommendation 7



**Summary and conclusions**

Based on these findings our recommendations for Recommendation 7 are: shown in table 10 below:

| <b>Donovan Recommendation 7 corresponding Nichols recommendations</b>  |
|--|
| <b>Common Theme Recommendations</b>  |
| 1. Establish intermediate metrics to assess the effects of improved fleet maintenance time and contribution to overall performance.  |
| <b>Specific Recommendations</b>  |
| 2. Expand depot arrival and departure times analysis to include a detailed assessment of the timings and causes of late arrivals and their impact on fleet maintenance planning in order to identify further mitigating actions as part of a continuous improvement process. |

Table 10: Summary Nichols Recommendations for Recommendation 7

## Recommendation 11 – Urgently put in measures for right time departures from Whifflet Station

### Summary of the recommendation

Donovan Recommendation 11 is part of the group of four recommendations which address train plan resilience. The background to the recommendation is that only 61% of departures from Whifflet are on time and this contributes to a right time arrival at destination stations rate of 26%<sup>3</sup>. In addition, poor performance by these services impacts on other services on shared sections of route.

The recommendation is:

### Recommendation 11 Urgently put in place measures for right time departures from Whifflet station

I recommend that measures be put in place to ensure confidence in right time departures from Whifflet in an operation free from major incident. Consideration should be given to:

- Ensuring there are no pathing conflicts in the plan, or realised in real life, for the empty stock turn back moves at Wishaw.
- Turning back this service closer to Whifflet, perhaps in Mossend Yard.
- Running from Whifflet to Wishaw in passenger service, removing the requirement for a 6-minute task (CHK67), taking the train out of service at Wishaw and running ECS from Wishaw to Whifflet to respect the signalling limitations at Wishaw and absence of Driver Only Operation equipment for sending a Glasgow-bound service
- Providing, in the immediate short term, resource to support the driver activities, especially with respect to checking that passengers have disembarked at Whifflet, to reduce the elapsed time for that activity.

Activities to address this recommendation have to date focused on turning trains around at Mossend Yard thus saving empty coaching stock moves from Whifflet to Wishaw and back. This is intended to increase the available recovery time if inbound services to Whifflet are late.

---

<sup>3</sup> These statistics and other background information can be found in figure 44 of the Donovan report.

## Activity undertaken and scope of analysis

We interviewed the Sponsor, Project Manager and the Operations Manager for the west of Scotland (a member of the team implementing Recommendations 11 and 12). In addition, we visited the West of Scotland Control Centre at Springburn and observed train movements between Whifflet and Mossend on the control centre screen.

## Assessment against mandate questions

### Plans

The Alliance has developed a charter for the Recommendation 11 workstream. This identifies the following four activities:

- Special monitoring to confirm status
- Alternative route considered
- Driver route knowledge confirmed re alternative
- Trains using alternative turn back sustainable improvement.

The charter does not quantify the benefit expected to be delivered but sets a target date for sustainable improvement of 21 June 2018. Beneath the charter, the PMO Milestone Plan shows 13 activities for this recommendation.

Our understanding is that Mossend was selected as the best location to turn services around at an early stage of the workstream. Negotiations were held with the facility owner to secure access and consideration was given to safe walking routes and sanitary facilities for drivers. Initial results of the change were not as expected, and further work has been needed to amend route setting and identify and resolve conflicting moves which have delayed trains returning from Mossend to Whifflet. We have been told that all these matters are now in hand but have not seen evidence of improved right time departures from Whifflet as a result. The Alliance attributes the lack of data to the difficulties of separating improvements arising from the changes made from the effects of the hot summer and the autumn disruption on the performance data.

The Project Register describes a target for this initiative to increase Whifflet-Dalmuir destination PPM from 74 to 89% (0.11% contribution to overall PPM).

We make the following observations:

- The implementation of this recommendation appears to be running at least 5 months late compared with the target date set in the charter. The Project Register shows the workstream as 80% complete.
- There is not a strong correlation between the activities set out in the charter, the milestone plan and the description of work provided to us. In particular, the Milestone Plan has a strong emphasis on completed or abandoned activities with two undefined milestones remaining to be completed. The Alliance has acknowledged this and will address it as part of the PMO's ongoing work.
- From our interviews we heard a theme of 'solving one problem to reveal the next'. For example, a two-month delay in changing train routing from Wishaw to Mossend and ongoing issues with the regulation of conflicting services. We acknowledge that there is a need to take account of the complex operational environment in which changes are being implemented, we are of the view however that there are lessons to be learned about the benefits of time spent at the beginning identifying potential obstacles and risks and developing a plan which reflects these. A more 'project' based approach from the outset may have assisted in this process.

### Reporting and governance

High level reporting of the Recommendation 4 workstream is provided in the PMO weekly and monthly reporting packs with a status summary in the Project Register.

We comment on each of these reports below.

#### PMO weekly report

The weekly report for the Recommendation 11 workstream dated 26 October 2018 is blank. Apart from risks (see later), the only information provided is an 'amber' rating against the next two planned milestones.

#### PMO monthly report

We reviewed the monthly report for 19 October 2018. This is supplemented by the Project Register which suggests that the overall status of the Recommendation 11 workstream is 'amber'.

The monthly update section of the report illustrates the detailed analysis which has been undertaken to understand the ongoing challenges to delivering this workstream. We note that efforts are being made to address underlying timetabling issues which are preventing full realisation of the benefits of this workstream but note that it appears that this may not be possible until the December 2019 timetable change (some 18 months after the target date set in the charter).



Notwithstanding the difficulties of separating the benefits of this workstream from wider issues, it would be useful if the reports (or some other project documentation) could identify the benefits delivered to date, and those which need to await timetable changes. This would assist in explaining progress and may help in deciding if resources should be used to seek further, intermediate benefits.

### Risks

At present the following risks for the Recommendation 11 workstream are identified in reports:

**Milestone DR-91** – Monitor Actions arising - ‘amber’ confidence level.

**Milestone DR-191** – Plan B: Consideration of alternative turnback arrangements - ‘amber’ confidence level.

### Roles and responsibilities

The Project Manager and the team members we spoke to clearly understands the factors which have affected this workstream and demonstrate a commitment to resolving them. The project has been run within the operations team under ‘business as usual’. Whilst delivery of the improvements sought by Recommendation 11 probably does not merit appointment of a standalone project team, we believe that a more project-oriented approach to identifying what needed to be done and setting clear responsibilities may have accelerated identification of the issues which emerged and delivery of the expected benefits. An example of this is the reported 3 months taken by the timetabling department at Milton Keynes to change the planned destination of trains from Wishall to Mossend.

The charter lists six people by name as having a role on this workstream. We are of the view that their respective roles should be clarified and documented.



**Summary and conclusions**

We summarise our key findings against each question within our Mandate in table 11 below:

| Summary of findings against Mandate question 1  |  |
|---|--|
| <p><b>Plan</b></p> <ol style="list-style-type: none"> <li>1. The project team have demonstrated understanding and commitment to delivering the objectives or Recommendation 11, but we have not seen evidence of a planning process which identified and systematically addressed the tasks and issues associated with success.</li> <li>2. The charter envisaged that benefits could be delivered by June 2018, but we have not seen evidence of these being realised. The most recent monthly report suggests that the full benefits may not be provided until the December 2019 timetable change.</li> </ol> | <p><b>Reporting and governance</b></p> <ol style="list-style-type: none"> <li>1. A weekly and monthly reporting process is in place, but the weekly report provided to us is incomplete.</li> <li>2. The Project Register provides a clear target for intermediate metrics (Whifflet to Dalmeir destination PPM increasing from 74% to 89%) but there is no reporting of progress towards this.</li> </ol> |
| <p><b>Risks</b></p> <ol style="list-style-type: none"> <li>1. There appear to be risks associated with possible delivery of improvements in the December 2018 timetable change. These are not clearly described.</li> <li>2. There are lessons to be learned about the benefits of early identification of risks and improvements to their management through better planning and reporting.</li> </ol>   | <p><b>Roles and responsibilities</b></p> <ol style="list-style-type: none"> <li>1. A Sponsor and Project Manager are in place.</li> <li>2. Roles and responsibilities of team members identified in the Charter should be clarified. It is possible that a clearer statement of roles and responsibilities may have helped to accelerate the delivery of benefits.</li> </ol>                              |
| <p><b>Overall</b></p> <p>This workstream has a committed team working to realise the immediate benefits from the turn back of trains at Mossend. A more ‘project’ based approach to the implementation of this recommendation may have assisted in an earlier delivery of the workstreams. Furthermore, the scale of potential benefits also needs to be determined.</p>  |  |

Table 11: Summary findings for Recommendation 11



Based on these findings our recommendations for Recommendation 11 are summarised in table 12 below:

| Donovan Recommendation 11    corresponding Nichols recommendation  |
|--|
| 1. A concise PEP should be prepared to identify remaining actions, risks, roles and responsibilities. Consideration should be given to transferring responsibility for delivering future timetable benefits to the Recommendation 16 workstream (also applies to Recommendation 12). |
| Specific Recommendations   |
| 2. A lessons learned study should be undertaken to improve delivery of similar ‘business as usual’ initiatives in the future (also applies to Recommendation 12).  |
| 3. Analysis should be undertaken to confirm the benefits delivered to date by this workstream and identify what further benefits may be possible (also applies to Recommendation 12).  |

Table 12: Summary Nichols Recommendations for Recommendation 11

## Recommendation 12 – Urgently put in measures for right time departures from Milngavie Station

### Summary of the recommendation

Donovan Recommendation 12 has many parallels with Recommendation 11 (Whifflet) and both are part of the group of four recommendations which address train plan resilience. Recommendation 12 concerns improving right time departure of services from Milngavie Station. The background to this recommendation is data showing right time departures from Milngavie of 43% which contributed to right time arrival rates at destinations of 42%<sup>4</sup>. Like the Whifflet departures, poor performance by these services impacts on other services which share sections of the route.

The recommendation is:

#### Recommendation 12 Urgently put in measures for right time departures from Milngavie station

An urgent study should be completed and set of actions put in place to support right time departure of trains from Milngavie in an unperturbed operation. Milngavie is selected as a priority location for this piece of work as the data, so far as it can be disaggregated, together with site observations and evidence from front line discussions, points to this being the most likely location for benefits to network-wide PPM to accrue. This is due to the complexity and interaction within the North-Electric services and also due to the Edinburgh destination for 2 trains per hour which carry delay across to the East Coast Suburban network.

The actions within the recommendation can be classified under the following headings:

- Infrastructure improvements at Westerton to improve access to the Milngavie branch line (a platform extensions has been commissioned in time for the December 2018 timetable change).
- Infrastructure changes at Milngavie to facilitate train set-back (we understand investment authority is currently being sought for platform extensions at Milngavie station).
- Changes to stock and crew diagrams and to operational arrangements (being implemented as part of the December 2018 timetable change).

---

<sup>4</sup> These statistics and other background information can be found in figure 44 of the Donovan report.

## Activity undertaken and scope of analysis

We interviewed the Sponsor, Project Manager and the Operations Manager for the west of Scotland. In addition, we visited Westerton Station and observed the constraints on train movements and the infrastructure changes being made to alleviate these.

## Assessment against mandate questions

### Plans

The Alliance has developed a charter for the Recommendation 12 workstream. This identifies the following four activities:

- Establish potential of hosting a 6 car on Up platform [at Westerton] while accessing Milngavie branch
- Make all necessary hardware adjustments on Westerton Up platform
- Monitoring of 2L\*\* services
- Monitoring of 2C\*\* services

The charter does not quantify the benefit expected to be delivered but sets a target date for completion of the workstream of 30 June 2018. Beneath the charter, the PMO Milestone Plan shows 10 activities for Recommendation 12.

We make the following observations:

- There is not a good correlation between the high-level activities listed in the charter and the 10 activities in the Milestone Plan.
- There is no statement of the benefits which are expected to be delivered by this workstream.
- As with Recommendation 11, the workstream appears to have been largely addressed by existing operations staff working in a 'business as usual' environment but with support from IP and the Works Delivery Unit for infrastructure alterations at Westerton. We have seen the same good motivation and commitment on both workstreams.
- Recommendation 12 also appears to be running at least 6 months late compared with the target date set in the charter. The Project Register shows the workstream as 75% complete however some activities described as 'trial' are not scheduled until January 2019.

- One of the reasons cited for delay to work at Westerton was a three-month suspension of the DOO CCTV contractor on safety grounds following a serious incident. We completely understand the importance of properly investigating such matters but there may be lessons to be learned about balancing the pace of investigations with the operational impact of suspending work within the context of an urgent programme such as the Donovan workstreams.

### Reporting and governance

High level reporting of the Recommendation 4 workstream is provided in the PMO weekly and monthly reporting packs with a status summary in the Project Register.

We comment on each of these reports below.

#### PMO weekly report

The weekly report for the Recommendation 12 workstream dated 26 October 2018 is blank. The only information provided is a red rating against the next two planned milestones relating to Westerton Station.

#### PMO monthly report

The monthly report for 19 October 2018 highlights the delays to DOO CCTV works at Westerton station. No status is provided for other aspects of this workstream such as works at Milngavie or changes to stock and crew diagrams.

This is supplemented by the Project Register which shows that the overall status of the Recommendation 12 workstream is 'red' due to the delay to work at Westerton.

We understand that benefits from this workstream will not start to be seen until the works at Westerton station are fully complete in November 2018. It is not clear how these operational changes will impact on PPM or how much of the benefit envisaged by the Donovan Recommendation depends on completion of all the proposed activities.



## Risks

At present the following risks for the Recommendation 12 workstream are identified in the reports:

**Milestone DR-100** – Install of DOO equipment – ‘red’ confidence level

**Milestone DR-105** – New works required – delay to completion of works – ‘red’ confidence level

**DR-001** – Materials are awaited to complete the install for 18th Nov 2018

We understand that the red confidence rating relates to delays from the original date for these activities and not to a risk of further delay. This is potentially confusing and, as noted elsewhere, we think there should be greater transparency in the criteria for applying RAG ratings.

## Roles and responsibilities

The Project Manager and the team members we spoke to were focused on delivering the improvements at Westerton Station. Packages of work are being delivered through Infrastructure Projects (signalling alterations) and the Works Delivery Unit (platform and DOO CCTV alterations). Although these alterations are relatively small in nature they are being delivered in a complex operating environment with potential interfaces between project, maintenance and operating teams and we would have expected to see a better definition of work packages and responsibilities for their delivery than has been made available to us.

## Summary and conclusions

We summarise our key findings against each question within our mandate in table 13 below:

| Summary of findings against Mandate question 1   |  |
|--|--|
| <p><b>Plan</b></p> <ol style="list-style-type: none"> <li>1. The team have demonstrated understanding and commitment to delivering the works at Westerton Station, but we have not seen evidence that the other activities envisaged for this recommendation are being progressed and, if not, why.</li> <li>2. The charter envisaged that this recommendation could deliver its benefits by June 2018, however, we understand that significant benefits will not be seen until commissioning of the works at Westerton</li> </ol> | <p><b>Reporting and governance</b></p> <ol style="list-style-type: none"> <li>1. There is no reporting against activities beyond the completion of works at Westerton or on progress towards realising the performance benefits of this workstream.</li> </ol> |



|   |  |
|---|--|
| <p>3. There does not appear to be a plan for delivering</p>   |  |
| <p>1. Risk reporting is unclear and the criteria for</p> <p>2. Risks associated with outstanding work and</p> | <p>1. A Sponsor and Project Manager are in place.</p> <p>2. Roles and responsibilities of team members</p> |
| <p><b>Overall</b></p>   |  |

Table 13: Summary findings for Recommendation 12

Based on these findings our recommendations for Recommendation 12 are shown in table 14 below:

| <p><b>Donovan Recommendation 12    corresponding Nichols recommendation</b></p>  |
|--|
| <p>1. A concise Project Execution Plan (PEP) should be prepared to identify remaining actions, risks, roles and responsibilities. Consideration should be given to transferring responsibility for delivering future timetable benefits to the Recommendation 16 workstream (also applies to Recommendation 11).</p> |
| <p>2. A lessons learned study should be undertaken to improve delivery of similar ‘business as usual’ initiatives in the future (also applies to Recommendation 11).</p>   |
| <p>3. Analysis should be undertaken to confirm the benefits delivered to date by this workstream and identify what further benefits may be possible (also applies to Recommendation 11).</p>   |

Table 14: Summary Nichols Recommendations for Recommendation 12

## Recommendation 16 – Co-create the Operational Delivery Plan and Recovery Plan for the Glasgow Electrics

### Summary of the recommendation

The Glasgow Electric route is one of Scotland's most intensively used routes with a number of capacity bottlenecks, including some single line working. The route contributes significantly to Scotland's overall performance metrics, with the Argyle and North Electrics corridors together accounting for around 23% of Scotland's total daily train services. Currently there is limited scope to introduce an effective recovery plan during times of perturbation. This is compounded by short (and in many instances unachievable) dwell times at stations, and by the complex communication channels that are currently required with many front-line delivery points in disparate geographical locations needing to be involved. The recommendation highlights the need to create an operational plan that has sufficient headroom to accommodate an appropriate recovery plan. In practice this requires the production of a new timetable for the North Electric/Argyle route, currently planned to be introduced for December 2019. Of all the 20 Donovan Recommendations, this one is considered by the Alliance as having the potential to be the single largest contributor to improvement in overall performance.

### Recommendation 16 Co create the Operational Delivery Plan and Recovery Plan for the Glasgow Electrics

I recommend a strategic review of the relationship between the delivery plan and recovery plan that aims to achieve a complementary outcome and balance between resource optimisation and capability for recovery. A highly optimised service delivery plan may be appropriate, but requires a far more sophisticated set of recovery arrangements to be put in place than is currently the case. If there are insurmountable barriers to achieving a sufficiently resilient recovery plan, then the operational delivery plan needs to be simpler. In creating a simpler plan, consideration should be given to isolating lines of route and to increasing the level of unit diagram – driver diagram alignment. I should note that I am aware from wider industry discussion that work has previously been undertaken to look at improved decision and communication support tools for this geography that might still be valid in offering opportunity for improvement of the recovery plan arrangements. It is my view that it is extremely unlikely that a resilient recovery plan will be achievable with the complexity of the current operating plan in this area.

## **Activity undertaken and scope of analysis**

We interviewed ScotRail's Head of Service Planning on 31 October, and again on 12 November 2018. We also discussed performance on the North Electric route with the West of Scotland Operations Manager at the Springburn West of Scotland Signal Control Centre, as well as on site at Westerton station where we observed the constraints on meeting tight dwell times.

## **Assessment against mandate questions**

### **Plans**

The Project Charter sets out, at a high level, the objective for implementing this recommendation, with the primary focus being the development of a timetable that provides sufficient headroom for service recovery during perturbed operations that balances operational needs with financial considerations. Whilst this is sufficient for a project charter, we would expect a more detailed explanation of the objectives of this workstream to be defined at an output level and to have been presented to and agreed by the Alliance Board, noting the significant value the implementation of this recommendation has in regard to overall performance improvement in Scotland. We understand that the Alliance Board have yet to receive this and consider it is important that this takes place as soon as practical to ensure the objectives of this recommendation are fully bought into before detailed plans are put in place to implement the work needed for the timetable change.

We were shown a high-level plan that described the workstreams required to implement this recommendation by the December 2019 timetable change. This comprises some 10 workstreams with a tracker showing the percentage completion of each workstream. The tracker shows (as of 25 October 2018) that the first three workstreams are complete and the fourth (the development of an initial draft timetable) being 60% complete. The remaining workstreams comprise a range of essential planning work, for example unit diagram plan, crew plan and an assessment of the commercial viability of the proposed timetable all of which feed into a 'go/no go' decision in March 2019 to support the formal timetable D40 bid process for implementation in December 2019.

From our interviews with the Project Manager it is clear that there is a good awareness of the key activities required to implement this recommendation. However, from our review of the plan we consider that much of this had not been formally documented. As such we are of the view that the plans need to be developed in much greater detail to fully list out all the activities required, their dependencies and the overall critical path. This plan should then be peer reviewed to ensure robustness (and taking account of lessons learnt from other recent timetable changes in Scotland and elsewhere). The plan should also be presented to the

Alliance Board together with the output statement described in the above. The proposed March 2019 'go/no go' decision should also be presented to the Alliance Board for approval.

We also understand there is the potential option of accelerating the implementation of this timetable change from December to May 2019. Whilst we support in principle the objective of delivering benefits on this key rail corridor as soon as possible, we are concerned there may be too little time available for this, noting that the D40 bid milestone for this has passed and also the need to ensure driver training is fully complete (the latter being a key lesson learnt from other recent timetable changes). We have not seen evidence of a plan with the May 2019 target date. Given these concerns we are of the view that the Alliance Board should urgently consider the practicality of a May 2019 timetable change.

### Reporting and governance

From our interviews and review of documentation there appears to be only limited reporting of progress and this is largely via the PMO at a high level. The 10 workstreams described above are rolled up into two themes:

- The co-creation of an operational and recovery plan
- The implementation of a new timetable

This aggregation does not provide sufficient visibility of the activities and progress against the critical path associated with delivering this key recommendation, and therefore hampers the ability for independent challenge of the robustness of the assumptions, including timescales. Furthermore, the overall PMO Project Register is showing the first of these themes as being fully complete. From our discussions with the Project Manager we ascertained that this first theme was only approximately 20%, therefore highlighting a mismatch in consistency of reporting, noting that the PMO is in its early stages of development and that such inconsistencies are known and actions are in place to resolve them.

Progress of 12 milestones are reported to the PMO. However, we note that these milestones do not fully correlate with the 10 workstreams described earlier, therefore resulting in some inconsistencies. Moreover, we would expect there to be a greater number of milestones to be listed recognising the scale of activity associated with the implementation of this recommendation.

We did not see evidence of any additional governance, for example a Steering Group, having been established (as had been for other individual Donovan Recommendations such as Recommendations 1 and 5 which require the management of a number of diverse workstreams across the Alliance). Such a Steering Group would benefit from a monthly Project Manager's report that shows detail against the work plan and



key milestones required for this recommendation (and which can then be used to feed the PMO with a greater level of granularity).

**Risks**

From our discussions with the Project Manager there is a clear understanding of the key risks associated with the implementation of this recommendation, such as driver training, unit diagramming, commercial viability, and securing the necessary railway industry approvals. However, we did not see evidence of a formal risk register and there were no risks reported to the PMO. Given the scale of this initiative and its contribution to overall performance improvement in Scotland we would expect to see a structured approach to risk management, with risks clearly articulated, owners identified and a view of potential mitigating actions. We would expect this to be raised regularly to the Alliance Board via the PEG and PCR.

**Roles and responsibilities**

From our interviews with the Project Manager there is clear ownership, awareness of the scale of work and drive to achieve a successful outcome for this important recommendation. There are concerns however regarding the extent of full-time resource allocated to this work which the project team are aware of (which also has a direct link to Recommendation 17 – “Ring fence strategic resource to plan for service robustness”). Recent progress has made through the securing of temporary timetable specification resource, but we are of the view that a full-time Project Manager is required to oversee the implementation of the various workstreams as well as more formally co-ordinating the various resources from across the Alliance through the establishment of a regular Steering Group.

**Summary and conclusions**

We summarise our key findings against each question within our mandate in table 15 below:

| Summary of findings against Mandate  |   |
|--|---|
| <p><b>Plan</b></p> <ol style="list-style-type: none"> <li>1. A detailed plan needs to be developed which fully describes the key activities associated with the implementation of this recommendation.</li> <li>2. The plan should show key dependencies, critical path and should be peer reviewed to check robustness, including ensuring the lessons learnt from recent timetable changes are applied.</li> </ol> | <p><b>Reporting and governance</b></p> <ol style="list-style-type: none"> <li>1. Reporting of progress needs to be significantly strengthened including to the PMO as well as at a more detailed level to a newly established Steering Group.</li> <li>2. Key issues and risks need to be escalated to PEG and the Alliance Board for decision given the significant strategic value of this recommendation.</li> </ol> |



|  |   |
|--|---|
| <p>1. Risks are not formally reported for this</p> | <p>1. There is strong leadership of the workstreams</p> |
| <p><b>Overall</b></p>                              |   |

Table 15: Summary findings for Recommendation 16

Based on these findings our recommendations for Recommendation 16 are summarised in table 16 below:

| <p><b>Donovan Recommendation 16 corresponding Nichols recommendations</b></p>  |
|--|
| <p>1. Steps should be taken to develop a much more structured project approach to the implementation of this recommendation, including the development of a detailed peer reviewed plan and an improved reporting and review process to a sufficient level of granularity.</p> |
| <p>2. A clear output statement setting out strategic the aims and objectives of the proposed new timetable should be produced and discussed and agreed at the Alliance Executive, including consideration of the commercial case.</p>  |
| <p>3. The plan should be peer reviewed on a regular basis with a formal 'go/no go' decision being made to the Alliance Board that takes account of lessons learnt from other recent timetable changes.</p>   |

Table 16: Summary Nichols Recommendations for Recommendation 16

## Recommendation 18 – Reinstate diversionary route knowledge for Yoker drivers

### Background to the recommendation

This recommendation is one of five in the Recovery Response category. It is intended to deliver additional service resilience by having a greater pool of drivers who are able to drive on different routes.

#### Recommendation 18 Reinstate diversionary route knowledge for Yoker drivers

I recommend that diversionary route knowledge is reinstated for Yoker drivers on both the mainline and Bellshill routes to Motherwell and that this knowledge is retained through the diversion of a small number of their services in off-peak hours via these routes. Consideration should also be given to a wider review of whether there is merit in increasing diversionary route knowledge for train crew at other locations.

### Activity undertaken and scope of analysis

We interviewed the Head of Operations for Scotland, who is the named Project Manager for this recommendation, on 30 October. This discussion confirmed that a paper was submitted to the August Alliance Board suggesting this recommendation is put on hold, which was accepted. Using the risk-based approach as set out in the Mandate, no further analysis has been undertaken on this recommendation.

### Assessment against mandate questions

A Project Charter was produced for this recommendation, setting out the problem statement, the outline implementation plan and a high-level summary of the training costs per depot. From consultation with the Project Manager we understand that this preliminary assessment concluded that the expected benefits could not justify the costs (both upfront and ongoing) as a standalone proposal.

This assessment was discussed at the August Alliance Board, who agreed with the recommendation that this should be put on hold as a standalone workstream. Instead, it was felt that this proposal (or a variant of it) could be re-considered following the completion of a wider review for the Glasgow Electrics corridor (Recommendation 16), which is considering PPM, timetable and crew issues as part of a 'whole system' approach. The Project Manager confirms he continues to engage with the Project Manager for Recommendation 18 to understand the potential impact and opportunities associated with driver route knowledge specifically.

## Summary and conclusions

Given this recommendation is currently on hold there are no specific observations or recommendations at this time.

## Recommendation 19 – Restart Performance Control Room and Performance Executive Group with new governance arrangements

### Background to the recommendation

This recommendation is one of two in the Performance Management category. It is intended to improve the reporting and monitoring processes, which in turn will lead to improved performance by ensuring the governance forums (specifically PCR and PEG) focus on a holistic, full-system approach.

### Recommendation 19 Restart Performance Control Room and Performance Executive Group with new governance arrangements

I recommend that the current Performance Control Room is disbanded, having lost its way and requiring a “hard reset” on expectations. It should be reformed with a new mandate that focusses on a holistic full-system approach to performance improvement and provide a weekly beat rate review of strategic cross-functional performance improvement initiatives. It must avoid duplicating management effort in considering metrics that are managed through other functional processes. A reformed Performance Control Room could be used to form a core part of the governance arrangements for delivery of the recommendations in this report. In parallel, the governance arrangements for the Performance Executive Meeting must be urgently reset.

### Activity undertaken and scope of analysis

We interviewed the Head of Performance for ScotRail (Project Manager for this recommendation) on 30 October and again on 22 November. We observed the PCR on both 1 and 8 November, and the PEG on 22 November. Although not specifically in scope of this recommendation, we also dialled into the daily performance conference call on 31 October (pm) and 1 November (am).

## Assessment against mandate questions

### Plans

The Project Charter sets out a clear problem statement, defining the issue to be addressed. This confirms that PCR was historically largely retrospective, with “little evidence of clear, pinpointed actions ... being identified” and “few, if any, leading indicators of performance”. We have observed the PCR meeting twice and confirm that it now appears to have a clear purpose and is conducted within the scope of its revised Terms of Reference.

There are six board owners based on the same six categories in the Donovan Report, who are tasked with updating their boards in advance of the meeting. These ‘owners’ are different from the named recommendation ‘Sponsors’, however Sponsors also attend the meeting to provide oversight, consistency and leadership.

There is some commonality in the information that board owners include in their updates, for example, on KPIs, but it was observed that there is still some discrepancy between how each board owner has chosen to interpret these broad headings, and which elements they have focused on. The meeting is the forum for consideration of holistic full system performance improvement measures and is not regarded as purely a forum for considering Donovan Recommendations. For example, based on performance impacts it will assess the scope for developing new PIPs.

The meeting has regular senior level engagement, including Nick Donovan, as well as on occasions from Chief Executive of Network Rail and the Deputy Managing Director of Abellio.

Actions are noted at the meeting and followed up the week after. There is increased focus on this following the recent change in Chair of the meeting. The Chair introduces the meeting by summarising the top five actions from the last meeting and running through their mitigating actions and closes the meeting by focussing on the top 5 issues from the meeting.

Before observing PEG on 22 November, we were provided with the agendas for the previous meetings, covering 2 August, 30 August and 27 September. The agendas all follow a set format, with four substantive items before Any Other Business. Three of these items (‘Performance Update’, ‘Donovan Review Update’ and ‘Action Tracker’) were common across all the meeting agendas. In the absence of seeing meeting notes or minutes, it is, however, hard to draw any conclusions about how effectively this is operating in practice and whether it is driving the discussion to focus on the key elements that it needs to.

We were also provided with the papers covering meetings in P4, P5, P6 and P7. We observe that these packs following a very similar format, covering MAA, future performance and a review of performance by

systematic functions. Most of the packs also had a snapshot of an action tracker at the end, but it is unclear where this information is drawn from, or what relationship it has with other reporting processes.

### Reporting and governance

The weekly report for the Recommendation 19 workstream dated 2 November 2018 focusses on progress against Performance Improvement Fund initiatives. Given the nature of this recommendation, it is unsurprising that this reporting is focusing on broader tasks to improve performance, rather than simply reporting on progress in revising the governance arrangements.

Despite this, we note that weekly reports are produced by the six board owners in order to input in to the PCR meeting itself, and this is fed in to the PMO. We note that there needs to be greater consistency between the weekly report, the Project Register, the monthly report and the monthly dashboard for each recommendation to present a more comprehensive overview of the overall health of the programme.

We also recommend that further consideration is given on how to bed some of these additional performance initiatives in to an overall programme approach in a sustainable, 'business as usual' way.

### PMO monthly report

The PCR meeting has an emphasis on leading indicators, however, more is needed to embed this and use the material at the meeting. Donovan related information is fed by a weekly report from the PMO, and progress is highlighted in a RAG format. We note that the criteria for assigning RAG status in the weekly report is not clear and needs to be made more transparent.

It is currently unclear how the daily call process feeds into the weekly PCR meeting. Although not directly in the scope of this recommendation, we note that the daily call process should also be looked at to confirm that it is fit for purpose. We also note that it is also unclear how the PCR feeds the monthly PEG meeting. Greater clarity is needed between the three meetings and the process for escalation (including emerging trends of tactical issues from the daily call when they are considered to be wider issues that need strategic guidance). We observe that the Recommendation 19 Project Charter itself notes that "the governance relationship between this meeting and Performance Executive Group is unclear".

We asked how the effectiveness of the PCR meeting is being assessed. Regular senior management attendance was seen as an indicator of success and on-going engagement: understanding the impact of this recommendation in a more quantified way was challenging.

There was a review of progress of the new format of the PCR meeting in August by Nick Donovan as part of his wider assessment of the progress of the recommendations. Network Rail and ScotRail are proposing that this recommendation is closed out if there is another positive Donovan assessment of progress before

Christmas 2018. We are of the opinion that a regular quarterly assessment of the performance of the meeting needs to continue as part as business as usual including, for example, checking that the meeting considers fully the output of the Steer report as part of a holistic approach to performance management.

### **Risks**

There is a process for identifying, reporting and discussing risks now in place, and the PCR meeting focuses on top risks for each of the six areas with the Chair injecting good discipline into the process.

We observed some element of constructive challenge, debate and discussion between different board owners on topics that had wider impacts. For example, the relationship between new units being available, the requirements on staff training and the upcoming Dec 2018 timetable change.

We are of the view that the risk process could be more sophisticated but not unduly cumbersome. The PMO risk process does not currently mirror the detailed discussion that happens in the PCR every week. As mentioned above, it is not clear what the escalation process is to PEG from the Control Room. This could be significantly improved.

### **Roles and responsibilities**

We observe that there appears to good clarity of roles and responsibilities of the PCR meeting, and we have noted these are captured in the 'ScotRail Alliance Performance Output Responsibility Document'. There is significant engagement, good challenge, and actions and priorities are clear. As mentioned above, communication and escalation from the daily calls, the PCR meeting and PEG could be improved.

The meeting also adheres to a behavioural charter comprising the following: accountability, challenge, being bold, being honest, customer focused, collaborative and encouraging. We observed that these behaviours were practiced.



**Summary and conclusions**

We summarise our key findings against each question within our mandate in table 17 below:

| Summary of findings against Mandate question 1   |  |
|--|--|
| <p><b>Plan</b></p> <ol style="list-style-type: none"> <li>1. This recommendation was implemented from April 2018, with new Terms of Reference set out for both the PCR and the PEG meetings.</li> <li>2. The revised Terms of Reference are more action-orientated, focused around the six Donovan themes.</li> </ol>  | <p><b>Reporting and governance</b></p> <ol style="list-style-type: none"> <li>1. The standard and consistency of PCR Board reporting is good, but attention is required to maintain and improve this.</li> </ol>   |
| <p><b>Risks</b></p> <ol style="list-style-type: none"> <li>1. A process for identifying, reporting and discussing risks is now in place in the PCR meeting but more work is needed to ensure this aligns with the developing PMO risk process.</li> </ol>  | <p><b>Roles and responsibilities</b></p> <ol style="list-style-type: none"> <li>1. A new Chair has been appointed, and there is clarity around Board ownership and expected attendees.</li> <li>2. The PCR is supported by senior management (through attendance where possible).</li> <li>3. A Code of Behaviours is visible and practiced.</li> <li>4. Actions have clear owners.</li> </ol> |
| <p><b>Overall</b></p> <p>The relaunched PCR and PEG meetings are complying with their revised terms of reference. Both are well attended with support from senior management, have a strong ‘whole systems’ perspective and a forward looking, challenging, collaborative and ‘can do’ approach. The meetings would benefit from greater consideration of lessons learnt, a clearer understanding of the relationship between the meetings and process for escalation and a better structured action tracker system.</p> |  |

Table 17: Summary findings for Recommendation 19



Based on these findings our recommendations for Recommendation 19 are summarised in table 18 below:

| Donovan Recommendation 19 corresponding Nichols recommendations   |
|---|
| <b>Common Theme Recommendations</b>   |
| 1. There needs to be a clearer escalation route through the different levels of governance – from daily calls, to the |
| <b>Specific Recommendations</b>   |
| 2. A more formal long-term action tracker should be introduced to help measure progress against key actions           |
| 3. Lessons learned/continuous improvement elements should be a regular agenda item at both the PCR and PEG,           |
| 4. A regular review should be held to ensure the PCR remains fit for purpose.   |

Table 18: Summary Nichols Recommendations for Recommendation 19

## Recommendation 20 – Review tools and processes available to ScotRail’s Performance Management team

### Background to the recommendation

This recommendation is one of two in the Performance Management category. It is intended to improve the consistency and accuracy of reporting to ScotRail and Network Rail, and address the issue that there is currently no ‘single source of the truth’ for performance reporting. This manifests itself by differences in the reports of PPM achieved produced by Network Rail central, Network Rail route performance team and ScotRail performance team. This recommendation is trying to move the analysis to focus on ‘leading indicators’ for PPM, and to look in to the ‘PPM attrition’ reporting concept, whereby the delta between 100% PPM and actual PPM achieved is broken down into component parts. The availability to the Alliance of appropriate performance analysis tools and software will be an important factor in the successful implementation of this recommendation.

### Recommendation 20 Review tools and processes available to ScotRail’s Performance Management team

I recommend a review of the tools and processes used by the ScotRail Alliance performance management team.

1. Review of the access available to performance analysis tools for local ScotRail Performance team members.
2. The development of performance analysis tools supported by the National Performance Analysis Team in response to local needs.
3. A review of the consistency of reporting between the National Performance Analysis Team and local ScotRail performance team with harmonisation as appropriate and in the context of ensuring adequate opportunity to benchmark performance with other routes.
4. Removal of KPIs that are not driving management action or were historically considered in order to address particular concerns, but where those concerns have been addressed on a sustainable basis.
5. Rebalancing the time taken in preparation and review of KPIs from lagging indicators to leading indicators.
6. Ensuring that accountability for delivery against KPIs is clear and devolved to the individual in the organisation best placed to control or at least significantly influence its delivery.
7. Ensuring that, where a KPI requires more than one party to ensure it is delivered, there is a single individual who holds accountability for delivering on behalf of the wider team, with support arrangements in place for them to be able to drive the delivery through others.

## **Activity undertaken and scope of analysis**

We met with a Performance Analyst, National Performance Analysis Team (NPAT), Network Rail on 6 November 2018.

## **Assessment against mandate questions**

### **Plans**

The Project Manager undertook a SWOT analysis of the Alliance performance teams in June/July 2018. The findings of this analysis generated a further 10 recommendations within this workstream. These additional recommendations have been allocated owners and all have defined milestones.

We have seen no evidence of reconciliation between the 10 recommendations outlined in the detailed plan and the underpinning detail set out in the original Donovan Report for recommendation 20. There is therefore a risk that the plan does not provide coverage of all the issues, and we suggest that a mapping activity could be undertaken to confirm this.

### **Reporting and governance**

The Alliance reviewed the outputs of the SWOT analysis undertaken in the summer. Reporting of this recommendation commenced in October 2018 with the PM submitting a weekly report to the PMO which feeds to the PCR meeting at a high level. However, this report contains just two milestones and therefore is not fully representative of the breadth or depth of the work being undertaken. We are of the view that the plan is not monitored in enough detail to ensure completion of the activities remain on track, and we suggest a more detailed activity and resource plan is needed to provide confidence in delivery.

We observed that Recommendation 20 was not reviewed in the bi-monthly forum, further strengthening our view that the reporting for this recommendation needs to be improved. We note that there needs to be further detailed reporting to set out progress against the individual recommendation workstreams underpinning this recommendation, in order to provide a meaningful assessment. Such reporting should provide sufficient visibility of progress to the fortnightly progress meeting held between the Project Manager, the Head of Performance for ScotRail and the Head of Performance (Scotland Route) for Network Rail.

## Risks

There was no evidence of risks for this recommendation being identified or reported in the weekly reports, however two risks are captured in the PMO risk register. These risks are focused on the provision of IT and availability of resources. While these may be valid, we believe that there are some other key risks that should be tracked, including:

- The risk that the lack of a detailed activity plan means senior governance groups cannot assure delivery by the target milestones.
- The risk that the detailed Plan of 10 activities does not fully cover the scope of Donovan Recommendation 20.
- The risk of continuity and sustainability given that ownership of the overall intent of the recommendation and the Plan is with the Project Manager, based in Milton Keynes, whereas the delivery is largely invested in the Alliance team, based in Glasgow.

## Roles and responsibilities

The Project Manager is the overall architect and owner of the plan but with responsibility for implementing the majority of the recommendations being allocated to the Head of Performance for ScotRail and the Head of Performance (Scotland Route) for Network Rail. We consider there is a risk that achieving the original intent of the recommendation is dependent on the Project Manager's continued oversight and ownership and recommend that there needs to be clearer alignment between the Project Manager (based in Milton Keynes) and the Alliance team (in Glasgow) on how to take this work forwards.



**Summary and conclusions**

We summarise our key findings against each question within our mandate in table 19 below:

| Summary of findings against Mandate question 1   |   |
|--|---|
| <p><b>Plan</b></p> <ol style="list-style-type: none"> <li>1. A Project Charter exists which sets out the problem statement at a high level, but this should be expanded further</li> <li>2. A review was undertaken and 10 other recommendations identified which are now being implemented. The activities associated with each of these need further development into a plan.</li> </ol>     | <p><b>Reporting and governance</b></p> <ol style="list-style-type: none"> <li>1. Recommendations identified are being reported as milestones, however, activities leading to these are not visible in the PMO reporting structure or detailed enough to track progress.</li> </ol>  |
| <p><b>Risks</b></p> <ol style="list-style-type: none"> <li>1. There is limited evidence of risks being identified and mitigated. Availability of resources has been highlighted, which links to roles and responsibilities.</li> </ol>   | <p><b>Roles and responsibilities</b></p> <ol style="list-style-type: none"> <li>1. There is a possible lack of clarity of roles and responsibilities between the Project Manager (based in Milton Keynes) and the Alliance performance team (based in Glasgow), though we understand a fortnightly update meeting takes place.</li> </ol> |
| <p><b>Overall</b></p> <p>There is a high-level understanding of the activities required to implement this recommendation. However, the detailed plans to achieve them have still to be developed and there needs to be clearer alignment of roles and accountabilities between the Project Manager (in Milton Keynes) and the Alliance team (in Glasgow) on how to take this work forward.</p> |   |

Table 19: Summary findings for Recommendation 20



Based on these findings our recommendations for Recommendation 20 are summarised in table 20 below:

| Donovan Recommendation 20 corresponding Nichols recommendations   |
|---|
| <b>Common Theme Recommendations</b>   |
| 1. There needs to be a more detailed activity plan produced to assure delivery by the target milestones.  |
| <b>Specific Recommendations</b>   |
| 2. We recommend a mapping activity is undertaken to confirm that the proposed work-plan covers all of the issues  |
| 3. There needs to be clearer alignment between the Project Manager (based in Milton Keynes) and the Alliance  |
| 4. A regular management review should be undertaken to assess progress, either through the bi-monthly Donovan Review days or by an alternative mechanism. |

Table 20: Summary Nichols Recommendations for Recommendation 20

# Section 3: Findings and recommendations against mandate Part B (Performance Planning)

## Introduction

For Part B of our mandate, we have undertaken analysis of the Alliance's overall approach in regard to the following:

- How effectively is the Alliance implementing its performance improvement activity?
- Whether the Performance Improvement Plan (of 2016), the Donovan recommendations and the Performance Strategy for 2018/19 come together in a coherent plan?
- Any plans Network Rail is developing to respond to the recommendations in the Steer report to the NTF on performance strategies?

As the mandate refers to the Steer report in setting the context for these questions, we have considered this first before moving on to the more specific points concerning performance improvement initiatives in Scotland.

## Plans Network Rail is developing to respond to the recommendations in the Steer report to NTF on performance strategies

### The Steer report

The Steer report was commissioned from the Steer consultancy by the NTF of the Rail Delivery Group (RDG) and was presented to the NTF in September 2018. The purpose of the Steer report was to review the rail industry's approach to performance management during Control Period 5 (April 2014 – March 2019) and to identify improvements which should be made given that performance across all TOCs has fallen during CP5 despite the establishment of joint Network Rail Route and TOC Performance Strategies through the Performance Planning Reform Programme (PPRP).

The Steer report concluded that the PPRP was not fit for purpose and did not result in sufficiently significant interventions to address the root causes of poor performance. The report makes recommendations which seek to raise the profile of performance improvements, clarify responsibilities, improve resources, skills & capabilities and improve delivery of initiatives and alignment across the industry.

Steer's ScotRail TOC report is based on the 2017/18 performance strategy which encompasses 135 performance improvement plans. The report acknowledges that this strategy has primarily been superseded by the Donovan recommendations, however, the timing of Steer's study meant that the ScotRail TOC report is based on a strategy dated 28 September 2017. There is therefore a mismatch between the Scotland specific findings in the Steer report and the Alliance's current approach to making improvements, and is important to stress that the approaches of the two documents are different; the Steer report being based on consideration of the PPRP process whereas the Donovan Report is based on a 'whole system' approach. This does not mean that the Steer report is not relevant to Scotland, however, it does mean that any actions arising from its recommendations will need to be tailored to align with the Alliance's implementation of the Donovan recommendations.

### National approach to implementing the Steer report

We spoke with Network Rail's Finance & Performance Director and Operational Performance & Analysis Manager on 16 November 2018. They explained that work is ongoing to agree a national response to the Steer report which is being co-ordinated through the NTF, and that the next steps would be discussed at the NTF meeting on 21 November 2018 (we were supplied with a copy of the paper). The paper includes preliminary thinking on developing a national Performance Management System, the objective being to improve governance, assurance, risk and capability frameworks in support of delivering performance improvements. It is understood that the first two of these frameworks are planned to be introduced in April 2019 in time for the commencement of Control Period 6.

The NTF are also considering common themes from various independent reviews of performance which have taken place over the past few years at a route and operator level; these include the Gibb, Donovan, and Holden reviews. The common themes from these reports have been used to develop the above proposals for a Performance Management System. We would expect the Alliance to have an input into the development of this system, including offering suggestions to the NTF of best practice and assessing whether further improvements and refinement to their co-ordinated performance strategy are needed.

### **Steer Scotland specific observations**

The Alliance management team is strongly focused on delivering the Donovan recommendations. Senior managers were not well sighted on the Steer report and, at the time of our review, were still assimilating its findings. The general view which emerged from our discussions was that there had been only limited consultation with the Alliance by Steer on the emerging recommendations and more time was needed to assess how the recommendations would contribute to the benefits which the Alliance is already seeking through the implementation of the Donovan recommendations. We have undertaken a high-level gap analysis to consider how well the Steer and Donovan recommendations relate to each other. In undertaking this analysis, we have looked at the Steer assessment of the key criteria questions focused around three key topics from the report:

- Context and Planning (Setting Objectives)
- Ownership and Collaboration
- Delivery and Review

The Steer report reviewed each performance strategy against the benchmark criteria and scored each criteria question based on a green, amber or red system. For the purposes of our gap analysis, and in keeping with the 'risk-based approach' outlined in our mandate, we have specifically focused on the 'amber' and 'red' rated recommendations.

Appendix 6 sets out our findings and has been discussed with Network Rail's Scotland Route Head of Performance as well as Nick Donovan. Our findings show that many of the Steer recommendations are largely being addressed either directly through Donovan recommendations or by the Alliance as part of their wider performance management activities. This re-confirms the robustness of the 'whole system' approach as set out in the Donovan Report together with the steps being taken by the Alliance PMO to embed a more 'project' based approach.

## Whether the Performance Improvement Plan (of 2016), the Donovan recommendations and the Performance Strategy for 2018/19 come together in a coherent plan?

There is a good understanding within the Alliance of the need for a coordinated approach to all the performance improvement initiatives for Scotland. Our work has identified a positive approach to this with a defined management structure and good engagement and team work across the Alliance.

The mandate asks us to consider how the Donovan recommendations are coordinated with two other specific initiatives. These are the 2016 PIP and the 2018/19 Performance Strategy. The main features of these other initiatives are set out in tables 21 and 22 below:

### Performance Improvement Plan (2016)

1. Developed in response to a fall in PPM to 89.6% (MAA) which was 0.7% below the point where implementation of such a plan is required by the franchise contract.
2. The plan focused on three areas:
  - trains
  - infrastructure
  - operations
3. For trains, the Fleet Improvement Plan was split between the diesel and electric fleets and comprised 50
4. For infrastructure, the plan was split between asset improvements, four area specific infrastructure improvement plans and a trespass prevention plan. In total there are 157 initiatives.
5. For operations, the plan addressed areas for timetable and golden trains, operational planning and on-time
6. This plan has been superseded by the 2018/19 Performance Strategy and the Donovan recommendations.

Table 21: Main elements of the 2016 Performance Improvement Plan

### Performance Strategy for 2018/19

1. This is an 11-page document which is marked 'draft.'
2. The strategy describes covers the five groupings identified in the Donovan model (these are: fixed assets; fleet; personnel; resilience; and recovery).
3. Performance improvement activity is divided between the 20 Donovan recommendations and shorter-term PIPs.
4. The strategy describes 135 PIPS being in place at the beginning of the year. These are focused on infrastructure, Network Rail Operations, ScotRail fleet, ScotRail operations and ScotRail customer experience. The status of PIPs is monitored through a series of spreadsheet tracker documents.
5. The strategy describes a governance structure with a PEG reporting up to the Alliance Board. A PCR meeting is held weekly to coordinate activities and beneath this are strategic workstreams aligned with the Donovan model. Each has a director level Sponsor and a responsible manager. We have observed this arrangement working in practice.
6. As well as the PIPs and Donovan recommendations, the strategy describes planned improvements linked to:
  - Enhanced incident response capability
  - Greater resilience in the December 2019 timetable
  - Winter preparations
  - Managing risks associated with the introduction of new trains
7. The strategy envisages that by period 13 (March 2019) PPM will be 92.4% with MAA at 90.5%.
8. Performance is projected to improve by 1% PPM per year thereafter and to reach 92.5% by the end of 2020/21 (March 2021).
9. The strategy identifies improvements in specification and reactionary delay as being important factors in achieving the regulated target of 92.5% PPM. One of the main drivers behind this is achieving a stable and improved timetable in December 2019 (this is linked to Donovan Recommendation 16).

Table 22: Main elements of the 2018/19 Performance Strategy

In addition to these programmes, the Alliance has progressed the following performance related initiatives:

- Projects to be funded by a new (£250k) Performance Improvement Fund
- A survey of staff to seek suggestions for improvements to services
- The 'Every Second Counts' initiative with daily performance bulletins and management reviews. This is intended to drive tactical actions in response to emerging issues
- A 'performance drive' planned for the first week of the December 2018 timetable.

We make the following observations:

- The Performance Strategy for 2018/19 provides a good governance framework for managing implementation of the Donovan recommendations alongside other initiatives.
- Much of the emphasis of performance management is on the Donovan recommendations. We have seen less focus on the progress of the current PIPs and on the more recent initiatives (the latter are, of course, at a relatively early stage of development).
- The Alliance faces a significant challenge in raising PPM performance to the regulated target of 92.5% (a level significantly higher than is being achieved at present anywhere else in the GB rail network). To assist delivery, we consider that an updated integrated performance strategy should be provided which encompasses all live and planned initiatives, explains their relative roles in the overall context of improving performance and which sets clear targets and priorities. The Alliance recognises the need for this and resources are being secured to develop this.
- The 'whole system' approach underpinned by the Donovan recommendations recognises the need to assess progress on a range of leading indicators (i.e. measures which relate to the progress of the specific initiative being taken forward) as well as their contribution to the outcome of that initiative (intermediate metrics) and their correlation with overall performance improvement (lagging indicators). The leading indicators and intermediate metrics for many of the Donovan recommendations need further development in order for the Alliance to fully assess the effectiveness of the initiatives. For example, for Recommendation 7 (improved fleet maintenance planning), the contribution right time arrival at depots for maintenance (leading indicator) should also be supported by an intermediate metric showing the increased reliability of the train as a result of that additional maintenance time. We accept that given the 'whole system' nature of train performance an exact correlation will be at times difficult to determine. Nevertheless, we are of the view that more work is needed to show the effect of the

Donovan recommendations as contributors to overall performance improvements. This will assist in driving forward the momentum of the overall performance improvement programme.

- We consider that taken together, a restated strategy and clear, quantified and time bound performance improvement targets based on intermediate metrics would help to demonstrate to stakeholders that improvements are being delivered and so improve confidence that PPM targets will be achieved. This should also assist with prioritising resources between managing short term challenges and the delivering the longer-term sustainable improvement which is envisaged by the Donovan Report.
- In taking forward the above we suggest that in developing the PMO reporting process further, consideration should be given to reporting progress of delivering the required performance improvements based on a greater number of these leading indicators.

### **How effectively is the Alliance implementing its Performance Improvement activity?**

Performance of the railway in Scotland needs to significantly improve and it is acknowledged that this is a priority for Transport Scotland and other stakeholders. Our discussions with the Alliance team, both in their offices and on site, confirm that this is fully understood at all levels, and that very significant effort is being made to deliver improvements through the implementation of the Donovan recommendations. We observed a good understanding of the 'whole system' objectives of the Donovan recommendations and a 'can do', innovative and collaborative approach to performance improvement based on the principle of 'Every Second Counts'.

Whilst there are dedicated personnel within some of the delivery teams, our observations point to much of the work being undertaken in 'business as usual' mode by functional and cross-functional groups across the Alliance. We consider that this is good practice which is likely to increase ownership of solutions and new ways of working and which will help to embed improved performance in the Alliance's culture. However, the railway has been described as a 'high distraction environment' and it is important that management is in a strong position to track overall progress, adjust priorities, provide support and generally ensure that resources are applied to areas where maximum benefit can be obtained. As such we consider a more 'project' based approach is required, noting that there is not a 'one size fits all approach'. The recent introduction of a PMO is a positive step to strengthen monitoring and control of the programme however, as discussed in this report, we suggest that there are areas where further improvements can be made.



When discussing management arrangements for the Donovan recommendations in connection our mandate, we referred to the governance arrangements described in the 2018/19 Performance Strategy. We have reproduced the structure of this in Figure 3 below:

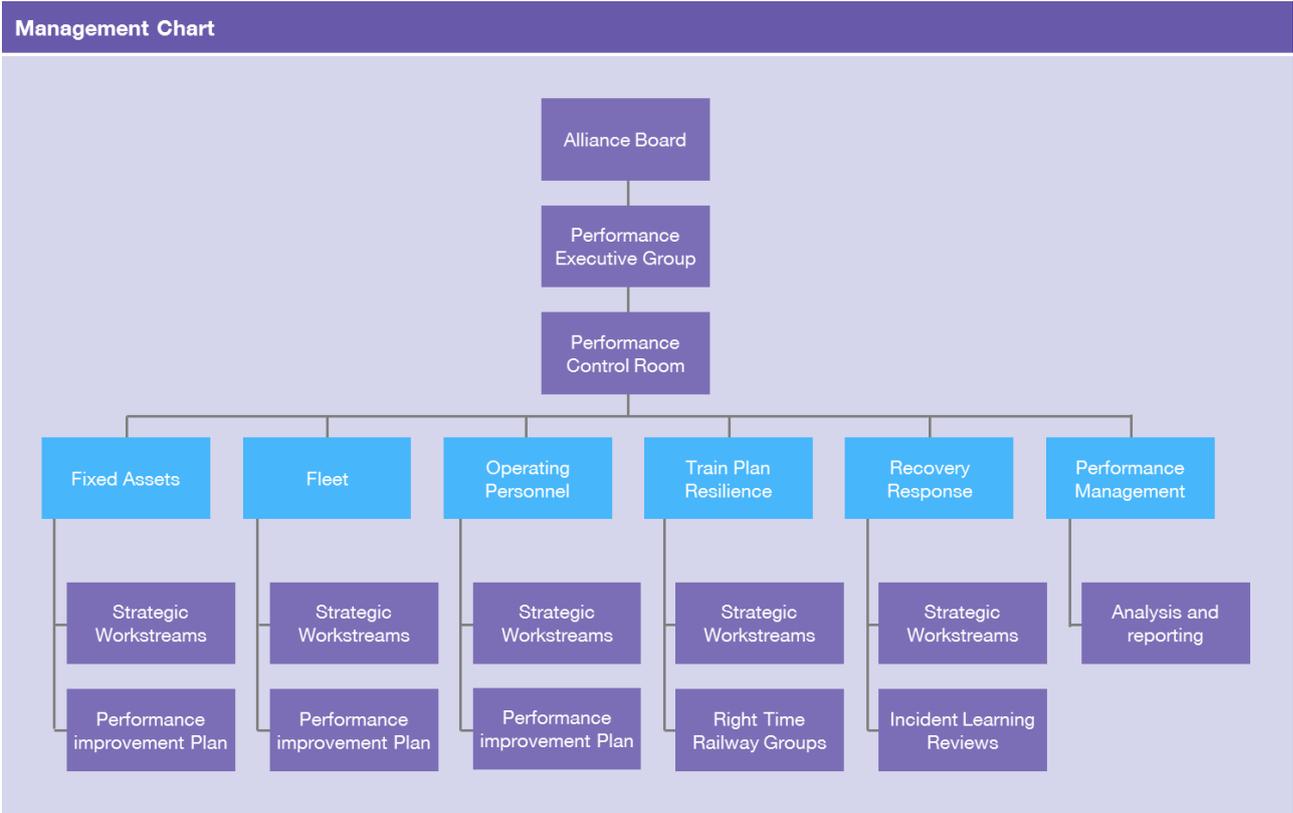


Figure 3: Alliance management structure for performance improvement

The strategic workstreams described in the diagram correspond to the Donovan whole system approach. Below these on the chart are the PIP initiatives referred to in the 2018/19 strategy. The Alliance has recognised that PIPs need to be dynamic with regular review of incidents and opportunities. Network Rail’s Head of Performance (Scotland Route) has described a planned system whereby staff and stakeholder suggestions would be considered alongside analysis of performance incidents (or significant near misses). The intention is that potential improvements would be scored against consistent criteria with the highest rated opportunities being considered by a performance panel. Possible actions would include disseminating lessons learned or instigating a PIP to address the issue. This initiative is currently at an early stage of planning.

We make the following observations:

1. The Alliance has established a management framework which encompasses all of its current performance improvement initiatives (i.e. Donovan and PIPs).
2. Much of the focus of our review has been on how the Donovan recommendations are being progressed within this framework. We have seen some evidence of the approach to other initiatives and this is consistent with the overall governance structure described above. In particular PEG and the PCR both discuss wider performance improvement initiatives.
3. It is important that current PIPs continue to be prioritised and progressed in order to maximise their short-term impact on performance ahead of the longer-term benefits arising from the Donovan recommendations.
4. The envisaged process for identifying and processing future PIPs appears to be a sensible approach to continuous improvement of process. It should be fully developed and implemented as soon as possible.
5. The Alliance should consider consolidating its reporting of progress on realising the benefits of the Donovan recommendations and those expected from other initiatives. This would provide greater visibility of progress against the performance growth targets set out in the 2018/19 strategy.
6. There needs to be a more formal approach to lessons learnt with regard to the initiatives for performance improvement as part of a process for continuous improvement.



**Part B: Summary recommendations**

Based on our review on the three questions in part B of the mandate our summary recommendations are shown in table 23 below:

| <b>Part B: Performance Planning Summary recommendation</b> |  |
|--|--|
| <b>Benefits</b>  |  |
| <b>Longer term sustainability</b>                          |  |
| <b>Learning and continuous improvement</b>                 |  |

Table 23: Summary recommendations for Part B of the mandate

## Section 4: Conclusions

The Donovan Report has provided a framework for the Alliance to underpin a ‘whole system’ approach to performance improvements. This approach has been taken forward by the Alliance at all levels, from senior management to front line staff. There is a ‘can do’, collaborative approach to performance improvement and evidence of innovation. The recent strengthening of the Alliance’s Performance Team is already adding significant value and new initiatives are being planned that build on the momentum already established. Reporting of progress has recently been strengthened through establishment of a portfolio wide PMO and an initial reporting process has been put in place. There is plenty of evidence of activity taking place.

There are further improvements that can be made to the implementation of the Donovan recommendations covering planning, reporting and project management. We particularly highlight the need to complete the baselining process that will provide the Alliance with an improved ability to track progress, noting that many of the recommendations are not due to be complete until 2021. A comprehensive integrated Performance Strategy that draws together all of the initiatives currently being progressed by the Alliance should also be completed.

Despite the evidence of significant activity in regard to the implementation of the recommendations since the publication of the Donovan Report, there has been a further decline in performance and this raises questions about when the positive effects from implementation of the recommendations will materialise and an increased reliance on the Donovan recommendations to deliver the expected improvements against the 92.5% regulated target by 2021. We therefore would like to emphasise the importance of completing the development of leading indicators and intermediate metrics to assess the benefits of each initiative during their implementation stage, including their overall contribution to PPM. The production of a performance model for Scotland (Recommendation 10) would also assist in demonstrating the individual performance contribution each recommendation is making.



# Appendices

Appendix 1 – Glossary

Appendix 2 – Reporter mandate

Appendix 3 – Log of meetings held

Appendix 4 – Meetings observed

Appendix 5 – Documentation Reviewed

Appendix 6 – Steer report gap analysis

## Appendix 1 – Glossary

| Terms used in this report |   |
|---------------------------|---|
| Alliance                  | The ScotRail alliance between Network Rail and Abellio ScotRail   |
| Control Period            | 5-year period for which budgets, outputs and other targets are set for Network Rail by the ORR.                       |
| CP5                       | Control Period 5 (April 2014 – March 2019)  |
| Donovan recommendations   | The recommendations set out in the Donovan Report   |
| Donovan Report            | Independent report into the train service performance delivered by the Scotrail Alliance, 27 March 2018, Nick Donovan |
| Intermediate metrics      |   |
| Lagging indicators        |   |
| Leading indicators        |   |
| MAA                       | Moving annual average   |
| MPV                       | Multit-purpose (rail) vehicle   |
| NPAT                      | National Performance Analysis Team (Network Rail)   |
| NTF                       | National Task Force (established under the Rail Delivery Group)   |

| Terms used in this report |   |
|---------------------------|---|
| ORR                       | Office of Rail and Road   |
| P6                        | The Primavera P6 scheduling tool  |
| PCR                       | Performance Control Room  |
| PEG                       | Performance Executive Group   |
| PEP                       | Project execution plan  |
| PIP                       | Performance improvement plan  |
| PMO                       | Programme management office   |
| PPM                       | Public Performance Measure  |
| PPRP                      | Performance planning reform programme   |
| RACI                      | Description of those responsible (R), accountable (A), consulted (C) or informed (I) in connection with an activity |
| RAG                       | Red / amber / green ratings   |
| RCM                       | Remote condition monitoring (of assets)   |
| RDG                       | Rail Delivery Group   |
| RHTT                      | Rail head treatment train   |
| TOC                       | Train operating company (in this report, the use may also include freight operating companies (FOC))                |

## Appendix 2 – Independent Reporter Mandate

### Background

Train performance has been declining for over one year in Scotland. ScotRail PPM has fallen by 3.2 percentage points to 88 per cent and Network Rail delays minutes caused to ScotRail have increased by 54.1 per cent in the first 6 periods of 2018/19 compared to the corresponding 6 periods in 2017/18.

Following a decline in performance in October 2016, the Alliance introduced its [Performance Improvement Plan](#). The plan contained 249 actions to improve overall train performance. The plan did deliver performance improvements, but performance started to decline again last autumn. Since then the Alliance has not achieved the majority of its PPM targets.

In light of this decline and given the stretching HLOS target for CP6 of 92.5 per cent, at the beginning of 2018, the Alliance contracted Nick Donovan, a former managing director of TPE, to undertake a review of performance and produce recommendations on how to improve performance. Donovan produced [20 recommendations \(link\)](#) covering the whole rail industry in Scotland, which was published on 31 March 2018. ORR is of the view that these recommendations represent the best chance of improving ScotRail's performance. It is therefore seeking assurance that the delivery of these recommendations is being managed effectively.

In addition to the Donovan review, in August 2018, on behalf of the National Task Force (NTF), Steer produced a report on Performance Strategies. This highlighted that there are serious shortcomings in this process across the network. It concluded that "*The application of overall process is not currently fit for purpose – the strategies are not embedded into the daily operation; current strategies do not drive significant intervention; there is a need to transform the performance strategy*". This was based on a National review and ORR is interested in how this applies to Scotland's performance planning.

### Purpose

ORR is seeking independent assurance as whether the Alliance is managing the implementation of the Donovan recommendations effectively so that Network Rail is suitably prepared for the next control period. In particular, ORR is seeking assurance as to whether:

- project documentation is produced to an appropriate standard;
- milestones are consistent to the original recommendations (or where milestone have changed that these changes have been progressed through an appropriate change control mechanism);
- actions and targets are appropriately defined; and
- progress reports give an appropriate level of assurance that performance improvement projects are being effectively delivered.



The Reporter should provide its assessment of the effectiveness of the delivery of the Donovan recommendations and provide any recommendations for areas of improvement.

### Scope of this Mandate

The scope of this work is focused on how effectively the Donovan recommendations are being delivered, as well as how well Performance Improvement activity is being delivered. We would like the Independent Reporter to review:

#### 1. The Donovan recommendations

With regard to the implementation of a sample\* of Donovan recommendations, how well are the projects being monitored and whether these projects are being delivered in a timely manner?

This should consider whether:

- effective, fit for purpose plans are in place
- reporting and governance processes are in place and whether these processes are fit for purpose
- the risks to the recommendation are being properly managed, both within the workstreams and across the portfolio
- roles and responsibilities within the Alliance clearly defined.

\* sample size to be defined and agreed at the initiation meeting

#### 2. Performance planning

In light of the Steer report (a copy will be provided), this should consider:

- how effectively is the Alliance implementing its Performance Improvement activity?
- whether the Performance Improvement Plan (of 2016), the Donovan recommendations and the Performance Strategy for 2018/19 come together in a coherent plan?
- any plans Network Rail is developing to respond to the recommendations in the Steer report to NTF on performance strategies?

### Timescales and deliverables

The work will need to align with the timescales set out below.

| Activity   | Delivery                     |
|--|------------------------------|
| Initiation meeting   | w/c 15 <sup>th</sup> October |
| Initial findings (IR to produce separate set of PowerPoint slides) | 13 <sup>th</sup> November    |
| Draft report   | 30 <sup>th</sup> November    |
| Final report   | 14 <sup>th</sup> December    |

This will be priced under a fixed price contract.

The aim will be to work closely with Network Rail and ORR to ensure the smooth delivery of the mandate. The Independent Reporter should provide regular updates as part of this review, with weekly progress update calls. If there are exceptional issues, additional meetings should be scheduled. The Independent Reporter is asked to communicate any concerns the earliest opportunity given the timescales for delivery. The reporter should engage with the ScotRail Alliance as necessary, arrangements for this will be confirmed by Network Rail.

### Independent Reporter Proposal

The Reporter shall prepare a proposal for review by ORR and Network Rail based on this mandate. The final approved proposal will form part of the mandate and shall be attached to this document.



The proposal will detail methodology, tasks, programme, deliverables, resources and costs. The Independent Reporter shall provide qualified personnel with direct experience in the respective disciplines to be approved by ORR and Network Rail. We consider that it would be beneficial if the reporter was based in Scotland.

## Appendix 3 – Log of meetings held

In accordance with the Independent Reporter Mandate we held a number of interviews with key personnel across the Alliance. In addition, a number of follow up meetings were held to address some key issues which arose from the original meetings. The follow up meetings were used to test and triangulate our findings. The full list of interviews is listed below.

| Meeting Topic                              | Date                    | Participants   | Location                        |
|--|-------------------------|--|---------------------------------|
| Initial planning meeting                   | Thursday 18<br>October  | ORR (x3)<br>Network Rail (x2)<br>ScotRail (x1)<br>Nichols (x3) | ORR office,<br>Holborn, London  |
| Initial kick off meeting with the Alliance | Wednesday 24<br>October | Network Rail (x2)<br>ScotRail (x3)<br>Nichols (x3)             | Network Rail office,<br>Glasgow |
| Initial meeting with Nick Donovan          | Tuesday 30<br>October   | N. Donovan<br>Nichols (x2)                                     | Network Rail office,<br>Glasgow |
| Recommendation 18                          | Tuesday 30<br>October   | ScotRail (x1)<br>Nichols (x2)                                  | Network Rail office,<br>Glasgow |
| Programme Management Office                | Tuesday 30<br>October   | Network Rail (x2)<br>Nichols (x2)                              | Network Rail office,<br>Glasgow |
| Recommendation 19                          | Tuesday 30<br>October   | ScotRail (x1)<br>Nichols (x2)                                  | Network Rail office,<br>Glasgow |
| Recommendation 5                           | Wednesday 31<br>October | Network Rail (x1)<br>Nichols (x1)                              | Network Rail office,<br>Glasgow |

|   |                         |  |   |
|---|-------------------------|--|---|
|   |                         |  | Network Rail office,  |
| Recommendation 16                             | Wednesday 31<br>October | ScotRail (x1)<br>Nichols (x2)                      | Network Rail office,<br>Glasgow   |
| Recommendation 7                              | Thursday 1<br>November  | ScotRail (x1)<br>Nichols (x2)                      | Network Rail office,<br>Glasgow   |
| Recommendation 1                              | Thursday 1<br>November  | Network Rail (x1)<br>Nichols (x2)                  | Network Rail office,<br>Glasgow   |
| Overall Performance<br>Management             | Monday 5<br>November    | Network Rail (x1)<br>ScotRail (x1)<br>Nichols (x1) | Network Rail office,<br>Glasgow   |
| Recommendation 20                             | Tuesday 6<br>November   | Network Rail (x1)<br>Nichols (x1)                  | Network Rail office,<br>Milton Keynes   |
| ScotRail Sponsor                              | Wednesday 7<br>November | ScotRail (x1)<br>Nichols (x1)                      | Network Rail office,<br>Glasgow   |
| Recommendation 11&12                          | Thursday 8<br>November  | Network Rail (x1)<br>Nichols (x1)                  | Network Rail office,<br>Glasgow   |
| Network Rail Sponsor                          | Thursday 8<br>November  | Network Rail (x1)<br>Nichols (x2)                  | Network Rail office,<br>Glasgow   |
| Overview with Nick<br>Donovan                 | Thursday 8<br>November  | N. Donovan<br>Nichols (x2)                         | Network Rail office,<br>Glasgow   |
| Head of Integrated Control                    | Friday 9 November       | ScotRail (x1)<br>Nichols (x2)                      | Network Rail West of<br>Scotland Operations<br>Control Centre,<br>Springburn, Glasgow |
| Recommendation 16<br>follow up                | Monday 12<br>November   | ScotRail (x1)<br>Nichols (x2)                      | Network Rail office,<br>Glasgow   |
| Overall Performance<br>Management – follow up | Tuesday 13<br>November  | ScotRail (x1)<br>Network Rail (x1)                 | Network Rail office,<br>Glasgow   |



|   |                          |  |                                 |
|---|--------------------------|--|---------------------------------|
|   |                          |  |                                 |
| ScotRail Alliance<br>Managing Director        | Tuesday 13<br>November   | ScotRail Alliance (x1)<br>Nichols (x3)                         | Network Rail office,<br>Glasgow |
| Emerging Findings<br>meeting                  | Wednesday 14<br>November | ORR (x2)<br>Network Rail (x3)<br>ScotRail (x2)<br>Nichols (x3) | Network Rail office,<br>Glasgow |
| Network Rail – National<br>approach to Steer  | Friday 16<br>November    | Network Rail (x2)<br>Nichols (x2)                              | Teleconference                  |
| Transport Scotland                            | Thursday 22<br>November  | Transport Scotland (x2)<br>Nichols (x1)                        | Network Rail office,<br>Glasgow |
| Overview with Nick<br>Donovan                 | Thursday 22<br>November  | N. Donovan<br>Nichols (x2)                                     | Network Rail office,<br>Glasgow |
| Recommendation 5 –<br>follow up               | Thursday 22<br>November  | Network Rail (x2)<br>Nichols (x1)                              | Network Rail office,<br>Glasgow |
| Overall Performance<br>Management – follow up | Thursday 22<br>November  | ScotRail (x1)<br>Network Rail (x1)<br>Nichols (x1)             | Network Rail office,<br>Glasgow |

## Appendix 4 – Meetings observed

| Meeting Observed                | Date  | Attendees  | Location  |
|---------------------------------|---|--|---|
| Donovan Bi-Monthly Review       | Monday 29 October<br>10.00 – 16.00            | ScotRail Alliance (Chair)<br>N. Donovan<br>Project Managers and Sponsors<br>Nichols (x3) | Network Rail office,<br>Glasgow                       |
| Performance Control Room        | Thursday 1 and 8<br>November<br>09.00 – 10.00 | Network Rail (Chair)<br>N. Donovan<br>Board owners<br>Nichols (x1)                       | ScotRail office,<br>Glasgow                           |
| Recommendation 1 Steering Group | Wednesday 7 November                          | Network Rail (Chair)<br>Recommendation 1 project team<br>Nichols (x1)                    | Network Rail office,<br>Glasgow                       |
| Mid-Autumn Review meeting       | Wednesday 14<br>November<br>11.00 – 13.00     | ScotRail (Chair)<br>Autumn project team<br>Nichols (x2)                                  | Network Rail office,<br>St Vincent Street,<br>Glasgow |
| Performance Executive Group     | Thursday 22 November<br>11.00 – 13.00         | ScotRail (Chair)<br>Alliance Executive Team<br>N. Donovan<br>Nichols (x1)                | ScotRail office,<br>Glasgow                           |

## Appendix 5 – Documentation reviewed

The list of documentation provided is set out below:

| ID | Document / File Name  | Date Received   |
|----|---|-----------------|
| 1  | Monthly Dashboard – Example   | 23 October 2018 |
| 2  | Project Register – Example  | 23 October 2018 |
| 3  | Combined_Donovan_Project_Charters   | 23 October 2018 |
| 4  | Donovan ScotRail Alliance FULL Report   | 23 October 2018 |
| 5  | Donovan ScotRail Alliance SUMMARY Report  | 23 October 2018 |
| 6  | ScotRail Performance Strategy – 18-19   | 23 October 2018 |
| 7  | Current PIPs  | 23 October 2018 |
| 8  | NTF Paper 1 – Independent Review of Performance Strategies – National Report v2.0 (FINAL) | 23 October 2018 |
| 9  | Steer Presentation to NTF (September) v0.2  | 23 October 2018 |
| 10 | PEG Packs   | 25 October 2018 |
| 11 | Individual TOC Report ScotRail  | 25 October 2018 |
| 12 | ScotRail Fleet PIPs 1819  | 26 October 2018 |

|    |  |                 |
|----|--|-----------------|
|    |  |                 |
| 14 | Autumn documents   | 29 October 2018 |
| 15 | Donovan recommendations – Project 5-Step Cycle (Rev 1)           | 30 October 2018 |
| 16 | Monthly Report – October PEG (all Recs0)                         | 30 October 2018 |
| 17 | Donovan recommendations – Weekly Report – WE 261018              | 30 October 2018 |
| 18 | Monthly Dashboard WE 191018                                      | 30 October 2018 |
| 19 | Donovan Recs – Project Register – Master                         | 30 October 2018 |
| 20 | Donovan Recs – Risk Register – WIP                               | 30 October 2018 |
| 21 | Donovan Progress PMG 5 <sup>th</sup> Oct                         | 30 October 2018 |
| 22 | Donovan recommendations – P6 Milestone Plan 31.10.18             | 30 October 2018 |
| 23 | Autumn readiness meeting actions 20 September 2018               | 31 October 2018 |
| 24 | Autumn Report Day 29 – 29 October                                | 31 October 2018 |
| 25 | ScotRail Alliance Discussion Note 17 July 2018                   | 1 November 2018 |
| 26 | ScotRail Alliance ILR Process v1.0                               | 1 November 2018 |
| 27 | ScotRail Alliance Performance Strategy 2017 Q2                   | 1 November 2018 |
| 28 | ScotRail Performance Strategy 1819 (draft)                       | 1 November 2018 |
| 29 | Performance Monitoring Group p7                                  | 1 November 2018 |
| 30 | RAG of Donovan for Transport Scotland                            | 1 November 2018 |
| 31 | ScotRail Performance Improvement Recommendation 20 Next Steps v3 | 1 November 2018 |
| 32 | SMrouteknowledge May 18  | 1 November 2018 |

|    |  |                  |
|----|--|------------------|
|    |  |                  |
| 34 | Terms of Reference for PEG & PCR   | 1 November 2018  |
| 35 | Shields depot info   | 2 November 2018  |
| 36 | DMS Donovan Recs – Project Register – 13 16 17 – 251018                        | 5 November 2018  |
| 37 | Emails in connection with Recommendation 16 suggestions for improvement (8 nr) | 5 November 2018  |
| 38 | Donovan Review recommendation 20   | 6 November 2018  |
| 39 | Slides from Rec 1 Steering Group   | 7 November 2018  |
| 40 | Follow up information ( <i>recommendation 4</i> )                              | 8 November 2018  |
| 41 | Percent of services that fail by 1 minute on Argyle & Glasgow North            | 9 November 2018  |
| 42 | Autumn Reports – Day 32 to 37  | 9 November 2018  |
| 43 | File & Meeting Register  | 9 November 2018  |
| 44 | Org Charts   | 9 November 2018  |
| 45 | Performance Data 2017-now  | 9 November 2018  |
| 46 | Performance Survey   | 9 November 2018  |
| 47 | Autumn Reports – Day 40 to 42  | 12 November 2018 |
| 48 | 20181105 Donovan-Steer   | 13 November 2018 |
| 49 | John Kerr Analysis of Whifflet   | 13 November 2018 |
| 50 | Copy of Haymarket Audit Tracker  | 13 November 2018 |
| 51 | Copy of 334001 Key_Repeat Incident Report Template                             | 13 November 2018 |



|    |  |                  |
|----|--|------------------|
|    |  |                  |
| 53 | Additional Tactical Performance Initiatives                    | 13 November 2018 |
| 54 | Mid Autumn Review  | 19 November 2018 |
| 55 | Scotland Autumn Treatment Overview November 2018               | 19 November 2018 |
| 56 | Performance Executive Group pack                               | 21 November 2018 |
| 57 | Donovan Review Recommendation 16 – follow up to meeting        | 23 November 2018 |
| 58 | Westerton Platform Extension – Investment Authority 13 09 2018 | 23 November 2018 |
| 59 | Donovan Report – recommendation 1 ( <i>follow up</i> )         | 23 November 2018 |
| 60 | Donovan Report – recommendation 4 ( <i>follow up</i> )         | 23 November 2018 |
| 61 | Rec 18 Alliance Exec Paper                                     | 27 November 2018 |
| 62 | NTF 2018 Steer Performance Management System                   | 28 November 2018 |



# Appendix 6 – Steer report gap analysis

## Steer/Donovan Recommendation Comparison

Steer Recommendations (covering Scotland, Red and Amber only):

Correlation with Donovan Recommendations:

| Objective  | Steer RAG | Explicit link to Donovan Recommendations?           | Comments  |
|--|-----------|---|---|
| <b>Context and Planning</b><br>Are the forthcoming performance challenges clearly defined?   | A         | Yes - Recommendations 1, 2, 3, 4, 5, 6, 7, 16       | As expected the Donovan report makes many references to current performance challenges and sets out specific recommendations to address these. It also sets a framework for further initiatives to be identified to respond to future challenges  |
| Do the objectives take account of future timetable, infrastructure and rolling stock changes?  | A         | Yes - Recommendations 7, 10, 12, 15, 16, 18         | There are references to new rolling stock, needs and timetable changes (but less so on the Hitachi depot servicing side)  |
| Do the objectives take account of changes made by other TOCs or adjoining routes?  | R         | No  | There is little reference in the Donovan report to other TOC/cross border impacts as these were not the primary issues driving performance. However, there is regular analysis done within Scotland Route on the impact of Anglo-Scot services on ScotRail's operations and there are a number of meetings between TOCs that operate Anglo-Scot services and NR in order to determine and identify problematic services in order to mitigate their impacts. The findings and analysis from these meetings are compounded to build the quarterly "Joint Delivery Group" - where all of the aforementioned TOCs meet together with NR to discuss these issues in an effort to find mitigations that suit all operators. |
| Is the holistic data still relevant to the current situation on the route?   | R         | No  | More emphasis needed on intermediate metrics  |
| Do the objectives use a suitable duration of historic data to draw trends and key issues?  | R         | In part - Recommendations 19, 20                    | There is adequate historical data available, including 5 year data sets on fleet/infrastructure incident trends. However, there should be more emphasis on intermediate metrics and leading indicators in future arrangements. Rec 20 explicitly discusses "rebalancing the time taken in preparation and review of KPIs from lagging indicators to leading indicators", and this is also one of the purposes of the PCR meeting (Rec 19)   |
| Is the analysis structured in order to systematically identify the major issues that affect the TOC and the Route that should be considered in the PS?                   | A         | Yes - Recommendations 10, 16                        | Development of new timetable for the North Electric/Argyle corridor is the key performance issue (recommendation 16)  |
| Is the strategy aligned with meeting the needs of the passengers on the network?   | R         | Yes - Recommendations 5, 11, 12, 15, 16, 18         | Although these recommendations are specific to passengers, it could be argued that the whole Donovan report has a passenger focus - this is a key part of the "why" context setting of the report (linked to passenger satisfaction)  |
| Do the timescales for the forecasts and initiatives cover a sufficient range of years?   | R         | In part - Recommendation 19                         | Recommendation 19 sets the context of suitable long term governance arrangements. Upon completion of the relevant Donovan Recommendations, they will form part of business as Usual - alongside the other Performance Improvement Projects, which will then form the Performance Improvement Project Portfolio - which will be an ongoing "Pipeline" in future.   |
| Is the Performance Strategy signed by both TOC and NR Route?   | R         | In part - but not a specific Donovan recommendation | The Alliance board signed off to accept all the Donovan Recommendations, but there is not a formally issued, standalone, signed off performance strategy for 2018/19 - with Donovan and other performance initiatives essentially forming a strategy amongst themselves   |
| Does the strategy text appropriately consider both TOC and NR challenges?  | A         | Yes - all recommendations are whole system          | Donovan approach has been whole system  |
| Does it consider areas of joint responsibility (e.g. adhesion, track-train interface)?   | R         | Yes - Recommendations 5, 7                          | Donovan approach has been whole system  |
| <b>Delivery &amp; Review</b><br>Are there contingency and mitigation strategies to deal with the risks?<br>Are roles and responsibilities for key staff clearly defined? | A         | Yes - Recommendation 19                             | One of the purposes of the PCR is to review the recommendations and mitigate risks  |
| Is there an appropriate plan for staff engagement?   | R         | No  | Although Project Managers and Sponsors have been identified for the recommendations, a more detailed RACI for some key staff could be improved and some staff are very new to their roles   |
| Is there a clearly defined budget for each performance initiative?   | R         | No  | Regular staff comms started on 13 November in order to develop the "Every Second Counts" theme amongst all staff, whilst the status of the "You Said, We Did" comms is due to start as soon as meaningful progress has been made on some of the Performance Improvement Fund Projects.  |
| Is there a well-defined train management and service recovery plan?  | R         | Yes - Recommendation 16                             | There is a clearly defined Performance Improvement Fund which PEG has authority to approve for appropriate projects - and each of these projects has a budget within this fund. When projects are initially approved, it is recognised that some of the estimated costs may be very high level estimates, and once a bit more work has been done may need re-authorisation.   |
| Is there a clear process for monitoring performance data?  | R         | Yes - Recommendation 19                             | North Electric/Argyle corridor is key to performance improvement (recommendation 16)  |
| Are allowances and budget made for making changes to scope or timing of activities to close any shortfall in resourcing?   | R         | In part - Recommendations 16, 19                    | There is a clear governance process set out with PCR, PEG and the Alliance Board, however the process for escalating information through these different groups could be clearer  |
| Does the review feed directly back into future strategies?   | A         | In part - Recommendation 19                         | Additional resources have been identified to support recommendation 16 (operational plan) and recommendation 19 (PCR)   |
|  |           |   | One of the purposes of the governance arrangements (through PCR, PEG etc) is to look holistically at performance improvement and not just focus on Donovan recommendations  |

