

Ref:	NR/L3/INI/PG115/PS/018
Issue:	1
Date:	2 June 2012
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Level 3

Management of Change to Authorised Baselines (Project Change Control) including Contingency Management

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User information

This Network Rail standard contains colour-coding according to the following Red–Amber–Green classification.

Red requirements – *No deviations, could stop the railway*

- **Red requirements shall** always be complied with and achieved.
- Red requirements shall be presented in a red box **with the word “shall” or expressed as a direct instruction**.
- Accountability for the efficacy of red requirements lies with the Professional Head/Standard Owner.
- Red requirements are monitored for compliance.
- Corrective actions shall be enforced if deviations are discovered through functional checks (e.g. engineering verification visits, audit or Operations Self-Assurance).

Amber requirements – *Controlled deviations, approved risk analysis and mitigation*

- **Amber requirements shall** be complied with unless deviation has been approved in advance.
- Amber requirements shall be presented with an amber sidebar **and with the word “shall” or expressed as a direct instruction**.
- Accountability for the efficacy of these requirements lies with the Professional Head/Standard Owner, or their nominated Delegated Authority.
- Amber requirements are monitored for compliance.
- Deviations **may** be permitted. Deviations are approved by the Standard Owner or through existing Delegated Authority arrangements.
- Corrective actions shall be enforced if **non-approved** deviations are discovered through functional checks (e.g. engineering verification visits, audit or Operations Self-Assurance).

Green – *Guidance*

- Guidance is based on good practice. Guidance represents supporting information to help achieve **Red** and **Amber** requirements.
- Guidance shall be presented with a dotted green sidebar **and with the word “should” (usually in notes) or as a direct instruction**.
- Guidance is **not mandatory** and is not monitored for compliance.
- Alternative solutions may be used. Alternative solutions do not need to be formally approved.
- Decisions made by a competent person to use alternative solutions should be backed up by appropriate evidence or documentation.

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Compliance

This Network Rail standard is mandatory and shall be complied with by Network Rail and its contractors if applicable from 1 September 2012.

When this standard is implemented, it is permissible for all projects that have formally completed GRIP Stage 3 (Option Selection) to continue to comply with the issue of any relevant Network Rail standards current when GRIP Stage 3 was completed and not to comply with requirements contained herein, unless stipulated otherwise in the scope of this standard.

Disclaimer

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Ref:	NR/L3/INI/PG115/PS/018
Issue:	1
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Compliance date:	1 September 2012

Contents

1 Purpose	5
2 Scope	5
3 Roles and responsibilities	6
4 Definitions	6
5 Management of Change	8
6 Project Start-up Meetings	19
7 Site Instructions	19
8 Zero Value PMI's	19
9 Project Reserve	19
10 Draw-Down on Mean Contingency	20
11 Draw-Down on P80 Contingency	20
12 Re-Authority	20
13 Project Plan Changes	21
14 Change Reasons	22
15 Delegated Levels of Authority	22
Appendix A – Description of Terms	23
Appendix B – Contingency Management Principles	26
Figure 1 – The Project Control Cycle	7
Figure 2 – Change Flow	9
Table 1 – RACI	6
Table 2 – Step 1 Issue Identified	10
Table 3 – Step 2 Issue Entered into Change Log	11
Table 4 – Step 3 Review Change Log	12
Table 5 – Step 4 Raise Change Request (CR) in System	13
Table 6 – Step 5 Impact Evaluation & Documentation	14
Table 7 – Step 6 Approve Change Request	16
Table 8 – Step 7 Raise Change Order	17
Table 9 – Step 8 Gain Approval for Change Order	18
Table B.1 – Summary Categories	29
Table B.2 – Detailed Mapping of RBS to Categories	30

Ref:	NR/L3/INI/PG115/PS/018
Issue:	1
Date:	2 June 2012
Compliance date:	1 September 2012

1 Purpose

Change occurs throughout the project lifecycle. The correct management of the change process allows decisions to be made in an informed way.

The processes specified in this document can and should be supported by an integrated Change Control system, in Oracle Projects (OP) or other system, as defined at the time. This system is referred to throughout the document as the corporate change control system. This document is not intended as an operation manual for these systems, as these will be covered in systems manuals. It does, however, specify the process that is supported by these systems.

2 Scope

This Network Rail standard specifies the processes for the management of change to authorised baselines (Project Change Control).

This standard specifies the process and products required to manage change to any authorised project baseline (outputs, scope, schedule and costs). It is not intended as a process for managing the developmental changes occurring pre-authority.

It does not specify the process for controlling change to engineering standards or other external influencers, but does provide the guidance for managing the impact of that change on the project.

Additionally, this document does not specify the process for managing change to portfolio / work-bank. These are managed through the Annual Budget and portfolio change management relevant to each delivery team and managed under finance processes.

Change management is the mechanism by which changes to baselined deliverables are controlled, requiring requests for change to be raised and assessed before the change is accepted and implemented.

Changes may occur in the following areas of a project;

1. Evolving scope through early GRIP stage development
2. Available funding as managed via the annual budget process
3. Specific projects within a portfolio including new and substituted projects
4. Scope or deliverables against an authorised or contracted sum
5. Milestones in support of the authorised or contracted sum

NOTE: Items 4 and 5 are within the scope of this standard. Guidance on Tracking Change in Early GRIP Stages, found in the Programme Controls pages on Connect, is applicable for Item 1. The other areas of change are managed through the Annual Budget and portfolio change management relevant to each delivery team and managed under finance processes.

Changes that are driven by, or impact on, commercial arrangements with contractors will inevitably result in changes to the project as well as contractual changes. The processes specified in this standard apply whether it is a budget type change or contract type change, however the user needs to fully acquaint themselves with the Contract Change Control (Work Instruction) in the Contract Management pages on Connect for detail that is specific to the management of contract change.

Ref:	NR/L3/INI/PG115/PS/018
Issue:	1
Date:	2 June 2012
Compliance date:	1 September 2012

3 Roles and responsibilities

In the context of change control the following roles as defined are applicable:

- Change Initiator – The person who identifies the requirement for a change and can provide the reasoning behind making a change;
- Change Owner – The person, often a Project Manager, who will own the change through the process;
- Change Manager – A generic name for the person responsible to administering the systems;
- Project Manager – The person accountable for the delivery of the relevant stage of the project where the change is identified (*this could be the Sponsor in early GRIP stages*);
- Commercial Manager – The person with accountability for the correct management of the relationship with suppliers and related contracts;
- Sponsor – The person with overall accountability to deliver the business case.

	Roles											
	Approving Body	Project Engineer	Estimator	Project Planner	Senior Commercial Manager	Project Controller	Project Manager	Programme HSEA Manager	Sponsor	Finance	Change Manager	Employers Representative #
Products												
Issue Log	I	C	C	C	C	C	A*	C	I*	C	R	I
Change Request	I	C	C	C	C	C	A*	C	C*	C	R	I
Change Order	I	C	C	C	C	C	A*	C	C*	C	R	I
Project Managers Instruction	I	I	I	I	I	I	R*	I	I*	I	R	A
<p>NOTE:</p> <p># Only the Employers Representative or designated delegate may issue an PMI</p> <p>* Assumes roles and responsibilities for a project in GRIP 4-8. For GRIP 1-3, the accountability under the PM may be with the Sponsor</p>												

Table 1 – RACI

4 Definitions

For the purpose of this standard, the following definitions apply:

Change – Any variation to the authorised baseline.

Ref:	NR/L3/INI/PG115/PS/018
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NOTE: Figure 1, illustrates the project control cycle and shows where change control operates in relation to baseline generation and project/stage authorisation.

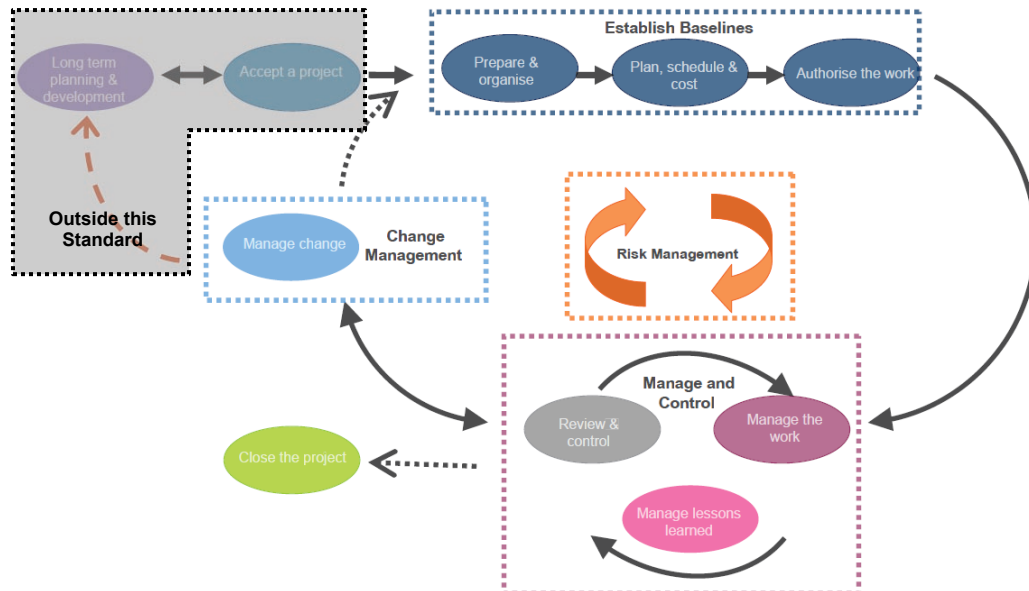


Figure 1 – The Project Control Cycle

NOTE: For detailed descriptions of the following terms see Appendix A: Baseline; Types of Change; Classification of Change; Corporate Change Control System; Change & Issue Log; Change Request; Change Order; Project Managers Instruction.

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Ref:	NR/L3/INI/PG115/PS/018
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5 Management of Change

The following process shall apply to all Change as recorded through the corporate change control system.

The final output of the evaluation process results in either a Budget Change Order, required to regularise available budget, or a Contract Change Order prior to the production and issuing of a PMI, required to inform a supplier of a change to their contract.

Corporate Governance requires Project teams to identify and regularise any funding issues (as identified through the project budget) prior to issuing PMI's so, both budget and contract changes will have to be applied.

The Change Control process can be summarised in the following four key stages:-

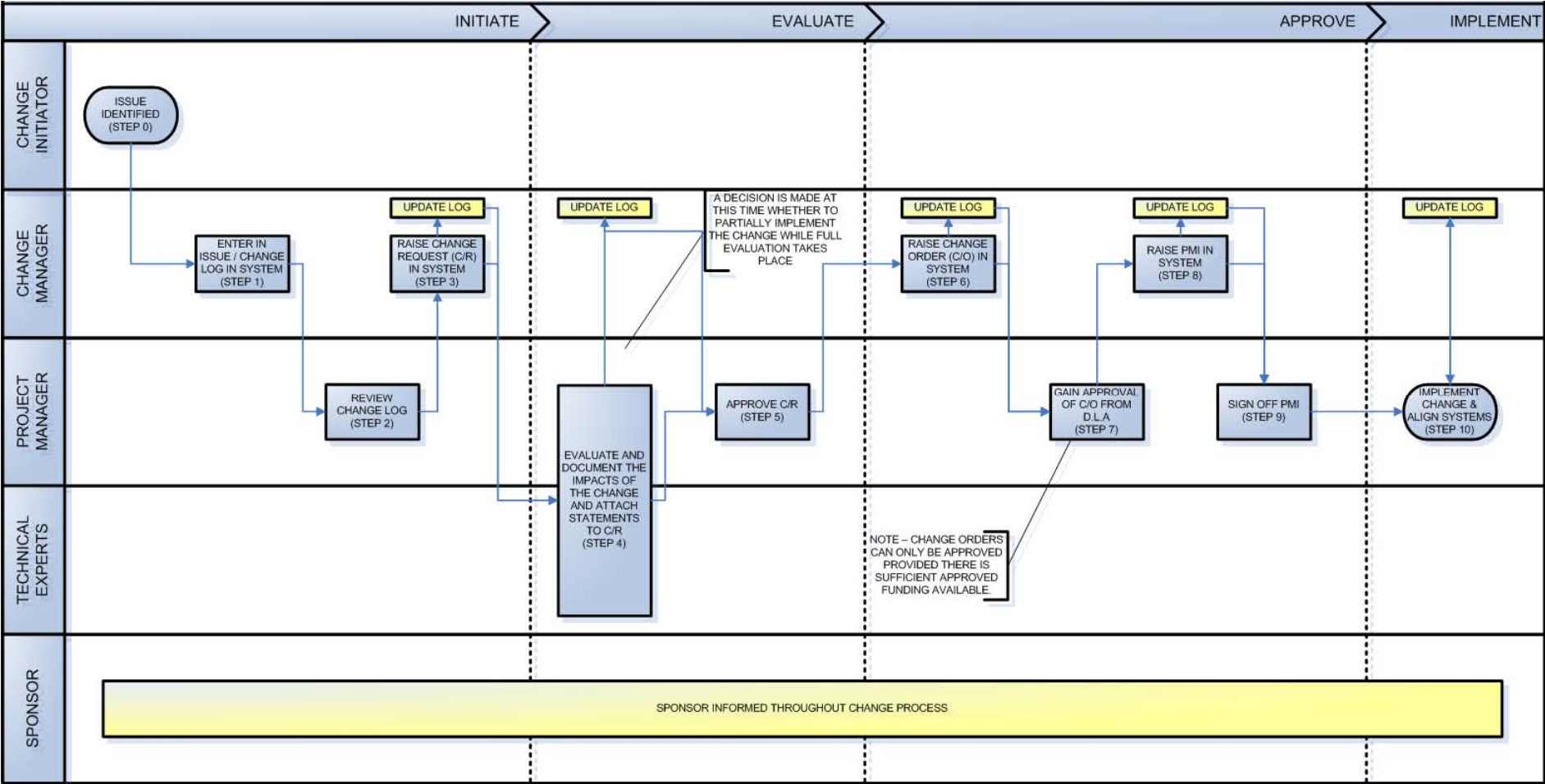
- a) Initiate Change – Variations in scope, cost, quality, schedule are captured as Change Requests
- b) Evaluate Change – The Project Manager assesses the change to fully understand the impact on safety, scope, cost, schedule, contractual requirements and identifies funding mechanism if appropriate.
- c) Approve Change – Changes are reviewed to make sure that the project objective and business case are not compromised and that the use of funds is controlled. Change is approved using the Change Order which is directed to the appropriate delegated authorities.
- d) Implement Change – Approved changes are implemented by formal instructions to the relevant parties. For contracts, this takes the form of the Project Managers Instructions (PMI) and purchase orders are amended (see Contracts & Procurement Work Instruction on Contract Change)

This process is illustrated in a process map schematic (Figure 2) to provide the user with the concept of how the change request flows from initiation through to implementation.

Further guidance on the eight steps in terms of the key activities, the inputs, outputs, the roles of the participants and any criticalities around the step is provided in Tables 2 to 9.

Ref:	NR/L3/INI/PG115/PS/018
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Figure 2 – Change Flow



Ref:	NR/L3/INI/PG115/PS/018
Issue:	1
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Table 2 – Step 1 Issue Identified

STEP 1		ISSUE IDENTIFIED	CRITICALITIES OF STEP
<ul style="list-style-type: none"> • This is the stage where a potential change (issue) to the contract or project is identified • The potential change can be identified by anyone involved in the project. The initiator of the change is responsible for supplying the relevant information to support the need to effect a change • The Project Manager should make an initial judgement on whether the change is necessary 			<ul style="list-style-type: none"> • To enable correct and timely management decisions to be made this step should be conducted as early as possible
INPUTS / PRODUCTS REQUIRED FOR STEP >>			<ul style="list-style-type: none"> • A potential change arising in the project or contract
OUTPUTS / PRODUCTS REQUIRED FROM STEP >>			<ul style="list-style-type: none"> • Nature of potential change fully defined and supported
ROLES AND RESPONSIBILITIES			
RESPONSIBLE		<ul style="list-style-type: none"> • Change Initiator – Identification of potential change and collation of necessary details • Project Manager – Initial assessment as to whether the issue is valid and for supporting the collation of necessary details 	
ACCOUNTABLE		<ul style="list-style-type: none"> • Project Manager - accountable for management of the change process 	
CONSULTED		<ul style="list-style-type: none"> • Technical Experts - as required, to provide the information to support the change 	
INFORMED		<ul style="list-style-type: none"> • Sponsor and project team - involvement from initiation of change 	