

## **Rail Sector Deal - Midlands Pilot**

### **SME Collaboration Challenge – Opportunities for Decarbonising Freight**

### **Post Launch Event Information and FAQs**

#### **Rail Sector Deal**

The Rail Sector Deal is a formal agreement between UK government and the rail industry and forms part of the UK's Industrial Strategy. It sets out some key priorities for the industry that have been translated into a number of workstreams. The Midlands Pilots is one such workstream with Rail Forum Midlands (RFM) taking responsibility for delivering two pilots. One is focused on apprenticeships and schools engagement and the second on SME resilience and growth through collaboration.

The Rail Sector Deal can be found [here](#)

The SME Challenge has been designed to fit the second pilot; the main purpose of which is to:

- a) help SMEs to work together to meet the future challenges of the industry by being able to compete for larger/broader packages of work and new opportunities
- b) provide a UK source to meet OEM, asset manager and tier 1 future requirements which will also assist in providing the reference points for increasing exports
- c) demonstrate that SME's working together provide growth/increased profits/greater security than they would have if they had not worked together
- d) identify the barriers, lessons learnt and provide solutions to those barriers in the form of a road map to assist other SME's and organisations wanting to work collaboratively
- e) encourage key clients within the supply chain to seriously consider alternative options to importing components/assemblies and services providing a good reference point for SMEs trying to grow their exports.

In addition this will provide increased opportunities, potential growth, and greater security for the SME's in the supply chain supporting increased investment in new technologies. The collaborative approach also has the potential to unlock significant funding through a variety of regional and national schemes.

The ultimate goal of undertaking this pilot is to encourage SME's and other organisations to work together collaboratively; demonstrating that collaboration can lead to increased revenues, profitability, productivity and/or new customers.

## Definitions

**“Project”** : For clarity we anticipate a number of collaborative partnerships to emerge working on specific mini “projects” under the overall theme of this challenge. The word “project” in the FAQs that follow refers to these collaborative partnerships.

**Clients** : for clarity the clients referred to in the FAQs below are those potential ‘end customers’ for any new products or services developed as part of this challenge and that have committed their support to it. These currently include Tarmac, DB Cargo, ERMEWA, Freightliner, GBRF, VTG and Network Rail

## Frequently Asked Questions:

### **What is Collaboration?**

Individual SMEs working together to meet their individual goals. The goals can/may be different for each of the SMEs involved in the “project”.

### **What is a SME business?**

An SME is a business which employs less than 250 people and has an annual turnover of less than £50m. We are very happy to include SMEs that are part of a larger group provided that the engagement with the project is led by the UK based SME.

### **Are all SMEs able to participate?**

Yes provided they have a UK registered address and an operational base/facility in the UK. Collaborative partnerships must be able to demonstrate a significant % of the product/commodity value will be added in the UK to meet the objectives of the pilot.

### **Do we have to be based in the Midlands to take part?**

No. The pilot is being led/delivered by RFM on behalf of the Rail Supply Group. Whilst ideally we would like some SMEs to be Midlands based this is not essential.

### **Is there a limit to the number of SMEs that can participate in a single “project”**

No.

### **Can RFM assist with finding suitable collaboration partners?**

Yes. RFM has considerable knowledge of the rail supply chain as well as links into other similar organisations that operate in other industrial sectors. We also have strong relationships with other trade bodies in rail. We will provide contacts for potential collaborative partners where requested and may be able to help facilitate introductions in some cases. It is, however, up to individual companies to select who they wish to work with.

**Can individual SMEs participate in more than one “project”?**

Yes.

**Can “projects” include non-SMEs, Universities and other research organisations?**

Yes, provided the lead company is an SME.

**Do we have to work with other companies or can we provide a solution on our own?**

The premise of the Rail Sector Deal work is collaboration, however, if individual companies can provide a total solution to a specific need then they are free to submit their ideas and we will forward these to the clients.

**Are there any specific areas that clients are focusing on?**

Yes, there are four main areas:

1. Data Management & Telematics
2. Locomotives & Wagons
3. Driver Management and Path Improvements
4. Terminal Management and Improvements

**How do we submit a “project” idea?**

There will be a short form to complete when submitting “project” ideas which can be downloaded from the RFM website page. This will require the details of the SMEs proposing to work in collaboration and a short written outline of the “project”. This will then be shared with the end clients to select those “projects” they would like to invite to a Dragons Den style selection process. The purpose of the Dragons Den is to ensure that there is genuine interest in the proposal on the part of the clients prior to SMEs undertaking more detailed work.

**Will all information submitted during the process be treated confidentially?**

Yes, any information provided will only be shared with the participating end clients.

**Is there a time limit for submitting “project” ideas?**

The deadline for the first round of applications for consideration to pitch at the Dragons Den is 4<sup>th</sup> December with an initial online Dragons Den event in early/mid January 2021. We may arrange additional online Dragon Dens events to follow if appropriate to support this challenge.

**We are new to the rail sector, where can we access the relevant rail standards?**

All railway standards are available to download free of charge from the RSSB website: [www.rssb.co.uk](http://www.rssb.co.uk).

**Who will own any IPR?**

Unless otherwise agreed the IPR will remain with the SMEs participating in the “project”. This is important as we are keen to ensure that SMEs are able to benefit from exploiting any new technologies, products etc. that they develop.

**Can SMEs work with more than one end client on the same “project” idea?**

Yes however, depending upon the “project” there may be a situation where the end clients also wish to work in collaboration with each other and in such circumstances RFM will endeavour to assist with facilitating suitable working arrangements between all parties.

**What will be the format for the Dragons Dens pitch?**

At this stage we envisage the Dragons Den will be an online event with individual “project” pitches by a 3 to 5 minute video presentation followed a Q&A session. As we move forward it may be possible to arrange face to face Dragon’s Den event(s).

**How will we know if our “project” idea has been successful?**

After completion of the Dragons Den pitches the clients will provide feedback to RFM and indicate those “projects” they would like to pursue or have further discussions with. RFM will communicate that information back to the “project”. Successful “projects” will then agree next steps with the clients, RFM will assist with this process if needed.

**If our “project” is successful at the Dragons Den what happens next?**

This will depend on the specific “project” being taken forward and the client(s) involved. RFM will be working with SMEs and clients over the coming weeks to firm up the details of this process. Some “projects” may be able to attract support from funding organisations or clients themselves. Others may be able to secure support from research establishments, universities etc. Others may not require any of this support.

**Is there any funding available as part of this challenge?**

There is no specific allocated funding available as part of this challenge, however in certain circumstances there may be funding available from a variety of sources to help develop specific “projects”. For example there are a number of funding streams currently available for helping companies develop innovative ideas with an emphasis on decarbonisation; typically these are available through local LEPs, universities and InnovateUK. We will happily provide the relevant contact details.

**Will there be ongoing support available during the “project”?**

Yes, this activity is part of a pilot which itself is a workstream within the Rail Sector Deal. The overarching objective is to help the SME community to win additional work both here in the UK and in export markets. Feedback, and support where needed to overcome any obstacles, will be an important element of the learning process and help to develop a stronger and more resilient rail sector in the UK.

**How will you ensure that clients respond positively to SME offers?**

RFM will be liaising closely with the participating clients, Department for Business Energy and Industrial Strategy and Department for Transport throughout the process and our Rail Sector Deal Champion will also be tracking progress both with clients

and with key government stakeholders. We will also be encouraging SMEs to feedback regularly on their experiences.

**Who do we contact for more information or with questions?**

In the first instance please forward any questions to Robert Hodgson on [robert@midlandsrail.co.uk](mailto:robert@midlandsrail.co.uk) who will collate and forward to the lead on the relevant group. We will aim to provide responses by 4<sup>th</sup> November (working on a deadline for receipt of questions of 27<sup>th</sup> October).

**Do all projects/solutions have to comply with the current Railway Group Standards?**

It would be good if that was the case but that shouldn't be a limitation with coming up with new projects/solutions. If there are good project which require sensible changes to the Rail Group Standards we would be prepared to support such discussions with the RSSB as RFM and/or with the support of the clients.

**Is it essential to have IRIS (International Rail Industry Standards) accreditation to supply the UK rail industry?**

Different clients may have different standards they expect their suppliers to work to and certain clients may insist upon IRIS accreditation. However, it is possible to be a supplier to the UK rail industry without having IRIS accreditation. The usual minimum quality assurance requirement will be ISO 9001 and RISQS (Rail Industry Supplier Quality Scheme) for products which are classified as safety critical such as door systems

**We are new to the Rail Industry what are the main barriers to entry?**

Understanding the rail industry "geography" and the Railway Group Standards which help maintain a safe railway, both of which RFM can provide assistance with.

**How can SME's network with each other so that they can find partnerships to help deliver this challenge?**

The delegate list attached to the joining instructions includes a brief description of the individual company activity. Due to GDPR we won't be able to circulate all the personal contact details but we will be able to share details if requested.

**Will there be support for SME's with potential issues around IPR and commercial sensitivity?**

Yes, RFM will help steer or direct the relevant SME's to areas of support to assist with these type of issues