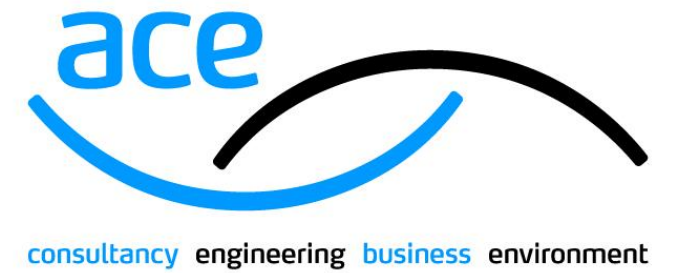


Joint Annual Conference
2022

Delivering
greater value,
together



Joint Annual Conference
2022

Croeso
Welcome



Conference Programme

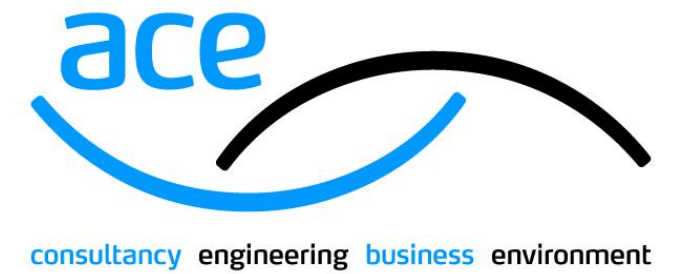
- 0905 **The current state of the industry and why do we need to change?**
- 0920 **The Construction Playbook – a better way forward?**
- 0950 **“Value” – what is it and how do we measure it? The Value Toolkit**
- 1020 **Risk – how do we better manage it for greater value?**
- 1045 **Adding value through digitisation**

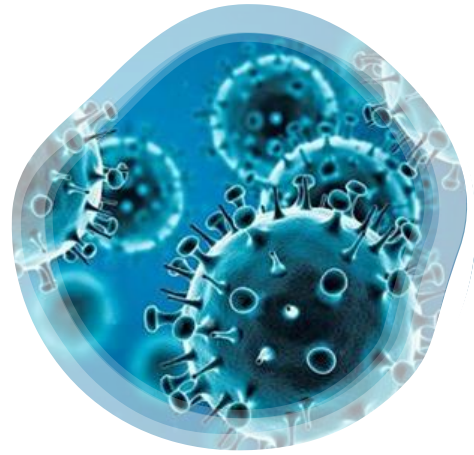
- 1100 **Comfort break**

Conference Programme

- 1100** **Comfort break**
- 1120** **Using social “value” to attract, develop and retain a skilled workforce**
- 1150** **The value of carbon in construction**
- 1220** **Panel discussion :**
“What can the public and private sectors do better, together, to deliver greater value?”
- 1250** **Summing Up by the Chairs**
- 1300** **Close Conference/Lunch**

The current
state of the
industry
Ed Evans





Unprecedented global events?!

- Covid
- Brexit
- Ukraine
- Climate change

- What's next?





Pressures, uncertainties, risks

- Economic volatility
- Inflation
- Materials
- Labour
- Skills
- Wellbeing
- Peaks and troughs

Impacts on infrastructure sector

- A decade of stability – no more!
- Pent up demand vs limited supply
- Construction materials
 - Availability
 - Costs
- Construction workforce
 - Availability
 - Costs
 - Wellbeing
- Rising costs vs outdated budgets
- Value? Where do we go from here?



+



Construction
Playbook – a
better way
forward?
Alasdair Reisner





The Construction Playbook - a better way forward?

20 May 2022

Delivering Greater Value,
Together!

Why develop the Playbook?



Background

- **In June 2020, the Prime Minister outlined his agenda to deliver ‘better, greener, faster’ public works** and Project Speed was established to deliver government’s public investment projects more strategically and efficiently.
- To achieve the PM's ambition, the Construction Playbook built upon the success of the Outsourcing Playbook to **transform how we assess, procure and deliver public works** by setting out policies and principles developed with the private sector and drawing on best practice from across the public sector.
- **The Construction Playbook is a key pillar of Project Speed** and part of broader changes in public and infrastructure procurement. The Construction Playbook complements these reforms by setting out 14 non-legislative policies and guidance for ‘how’ government should deliver public works projects and programmes.

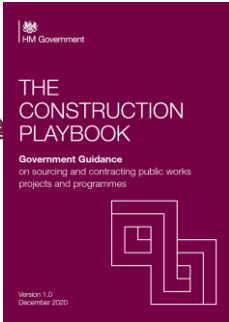


14 Key Policies



Eight policies have been adapted from the Outsourcing Playbook

1	Publication of commercial pipelines
2	Market health & capability assessments
3	Portfolios and longer term contracting
4	Harmonise, digitalise and rationalise demand
5	Further embed digital technologies
6	Early supply chain involvement
7	Outcome-based approach
8	Benchmarking and Should Cost Modelling
9	Delivery Model Assessments
10	Effective contracting
11	Risk allocation
12	Pricing & payment mechanisms
13	Assessing the economic and financial standing of suppliers
14	Resolution planning



There are six policies new to the Construction Playbook

Aims

By adopting the policies in the Playbook, the Government aim to:

Set clear and appropriate outcome-based specifications

Favour longer term contracting across portfolios, where appropriate

Standardise designs, components and interfaces, as much as is possible

Drive innovation and the adoption of Modern Methods of Construction

Create sustainable, effective, win-win contracting arrangements

Increase the speed of end-to-end project and programme delivery

The Playbook looks to create the right environment to enable us to:

Improve building and workplace safety

Promote social value

Take strides towards our 2050 net zero goal

Driving better, faster, greener delivery

Construction Playbook priorities

1. Commercial pipelines

- Central Government procurement pipeline
- Better understanding of demand
- Support supply chain planning

2. Market health and capability assessments

- Assess market prior during planning stage
- Identify opportunities and limitations

Construction Playbook priorities

3. Portfolios and longer term contracting

- Long-term plans for key assets
- Contracting across portfolios

4. Harmonise, digitise and rationalise demand

- Accelerates use of platform approaches and standard products/components

Construction Playbook priorities

5. Further embed digital technologies

- Use BIM framework to standardise generation and classification of data
- Support adoption of Information Management Framework
- Create National Digital twin

6. Early supply chain involvement

- Engage suppliers to develop business case for projects

Construction Playbook priorities

7. Outcome-based approach

- Focus on outcomes rather than scope
- Project Scorecard to help set clear outcomes

8. Benchmarking & Should Cost models

- Projects to use benchmark data from previous projects to support better decisions
- Should Cost modelling to better understand whole life cost and value

Construction Playbook priorities

9. Delivery model assessment

- Use evidence-based approach to choose most appropriate delivery model

10. Effective contracting

- Structure contracts to ensure collaboration, data sharing, risk management and value improvement
- Review current approach to construction frameworks to develop 'gold standard'

Construction Playbook priorities

11. Risk Allocation

- Ensure risk allocation is informed by market engagement
- Transparent communication of risk allocation

12. Payment mechanism & pricing approach

- Payment to be linked to delivery of outputs, work value and supplier performance
- Test payment approach with suppliers before bidding

Construction Playbook priorities

13. Assessing the economic & financial standing of suppliers

- Ensure supplier has financial capacity to perform
- Transparent, objective and non-discriminatory

14. Resolution Planning

- Understand risks to project/programme if a supplier fails
- Work with suppliers to develop mitigations to limit risks

Cross-cutting priorities

Health, safety and wellbeing

- Health and safety is the Government's highest priority and improved speed must not come at the expense of health and safety. To achieve this, the Government are focusing on compliance with legal requirements, reducing the instances of work related ill-health including mental health and supporting SMEs to improve risk management and control
- All contracting authorities should embed the priorities into their project and programme planning as part of a comprehensive approach to managing and improving occupational health and safety.

Building safety

- **Setting the right behaviours and practices throughout the design, construction, occupation and maintenance stages, and the handoffs between these stages, is critical to ensuring building safety.**
- The drive for quality and the required safety outcomes, rather than lowest cost, must start with procurement and the seamless transfer of safety critical data and duty holder responsibilities at each handoff, together with a global view of risk, including product assurance, needs to be enabled.

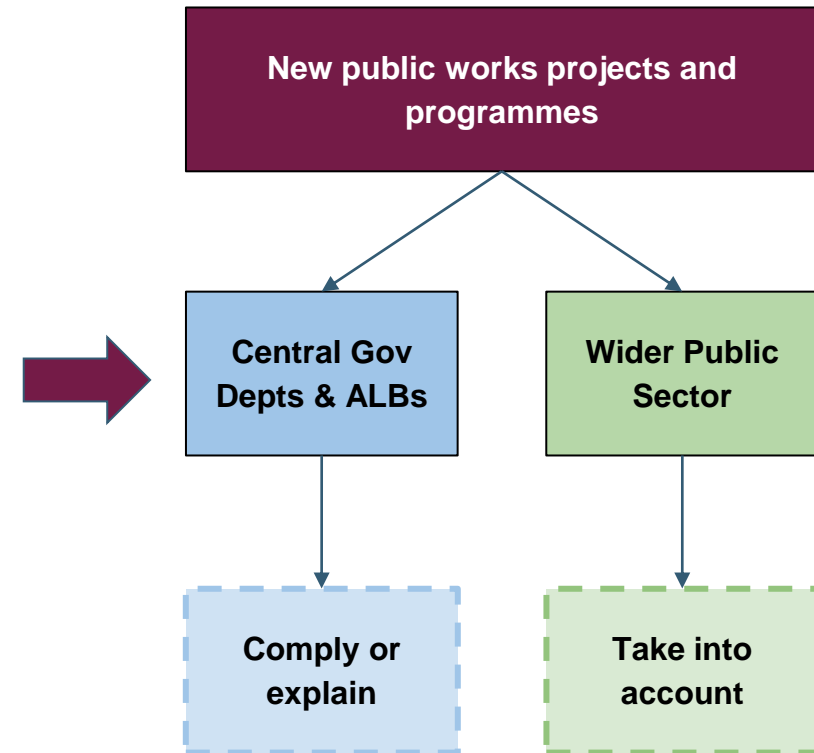
Build back greener

- **We must bring all greenhouse gas (GHG) emissions to net zero by 2050.**
- Contracting authorities should set out plans for achieving net zero GHG emissions by or ahead of 2050 for their entire estate/infrastructure portfolio. These should be aligned under an overarching sustainability framework, and processes should be in place to ensure projects and programmes deliver on targets set.
- Recognising the design life of public works, contracting authorities should adopt whole life carbon assessments to understand and minimise the whole life carbon footprint of projects and programmes

Social Value

- **A minimum weighting of 10% of the total score for social value should be applied in the procurement to ensure that it will be a differentiating factor in bid evaluation and a higher weighting can be applied if justified.**
- This will help local communities recover from COVID-19, tackle economic inequality, promote equal opportunities and improve wellbeing.

- The Construction Playbook applies to **all new public works projects and programmes** undertaken by **central government departments and their ALBs** on a 'comply or explain' basis.
- Recognising that there is no one size fits all approach, the Construction Playbook is intended to be **taken into account by the wider public sector**.
- Where the planning and preparation of projects and programmes is already underway, or there are existing frameworks in place, **contracting authorities should adopt a pragmatic approach** to embedding the Construction Playbook.
- **The Construction Playbook also sets out our expectations for industry**, including ensuring the Playbook policies down the supply chain.



The role of industry

Governance

- Promote proposals to be safe, innovative, sustainable, manufacturing-led solutions using MMC, drive continuous improvement and include a fair margin of profit

Organisational management

- Ensure the principles and policies set out in the Construction Playbook flow down your supply chain.
- Regularly review upcoming procurement pipelines.
- Adopt the principle of value-based procurement and respond with appropriate proposals including social value.
- Set strategies and plans for:
 - Achieving net zero by or ahead of 2050
 - Adopting manufacturing-led solutions and invest in innovation.
 - Continuing to put health and safety at the heart of all public works projects and programmes
- Meet the standards set out by the UK BIM Framework.
- Adopt digital, automated processes and embed prompt payment practices.
- Adopt quality planning processes.
- Use the certainty provided by longer term contracts and pipelines to invest in skills, people and innovation.
- Respond to requests for ongoing financial monitoring and engage collaboratively on potential opportunities and issues.
- For in-scope organisations, provide resolution planning information.

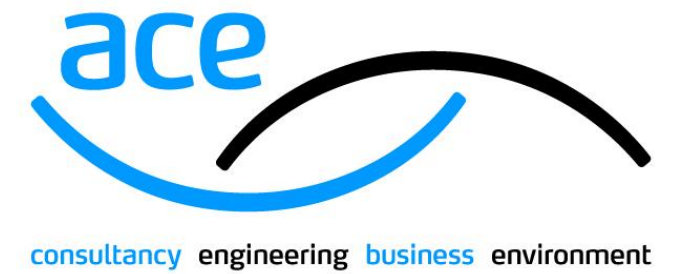
Portfolios

- Consider approach to wider value generation across portfolios including social value, risk management, the capture and use of data.
- Demonstrate continuous improvement in productivity and cost through the life of the programme

Projects and Programmes

- Put in place an appropriately experienced SRO and resourced cross-functional teams to meet the expectations set out by the contracting authority.
- Adopt collaborative ways of working to create a 'one-team' ethos with all parties.
- Engage early and extensively with contracting authorities to co-develop solutions.
- Develop safe, innovative, sustainable, manufacturing-led solutions using MMC and drive continuous improvement.
- Bid with a fair margin baked in.
- Provide financial information as set out by the contracting authority.
- Work with the contracting authority to ensure there is an agreed process to wrap-up contracts including the transfer of robust data to contracting authority (or their operator).

Questions/Discussion?



Value and how
do we measure
it?

Cherie Paterson
and Piers
Burroughs



The Value Toolkit and Value-based Delivery

Piers Burroughs and Cherie Paterson

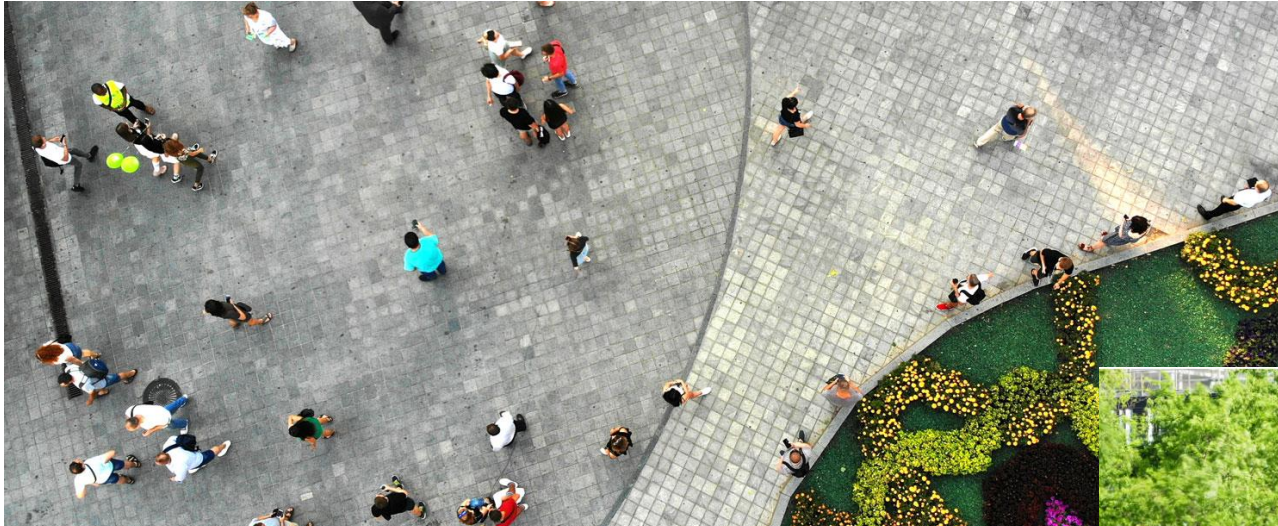
VALUE TOOLKIT



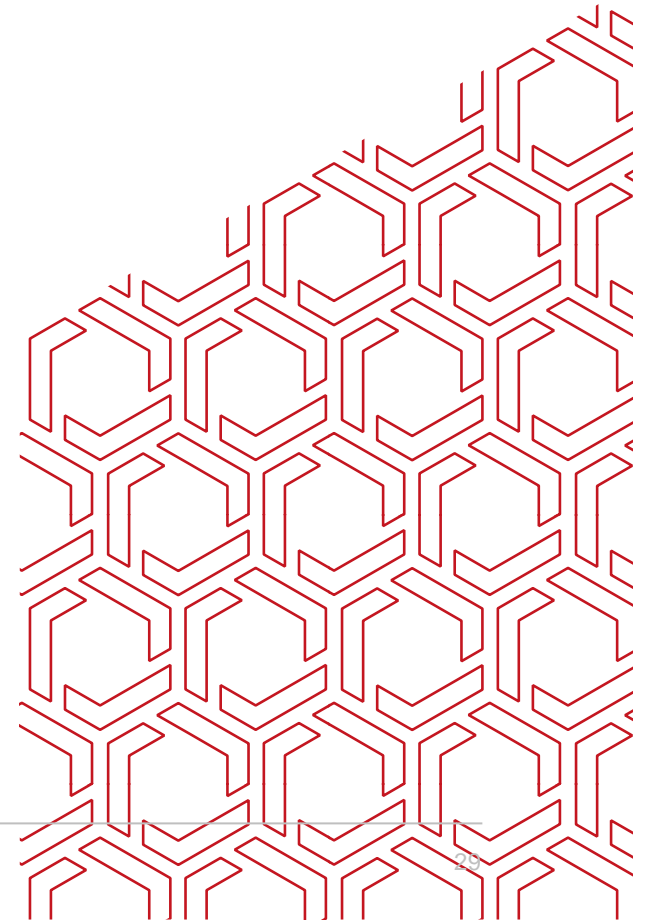
Burroughs



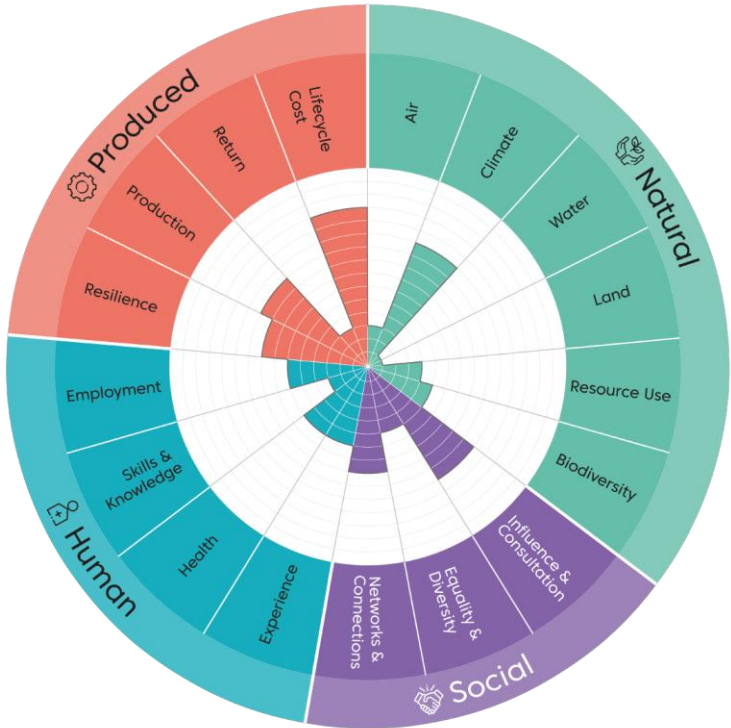
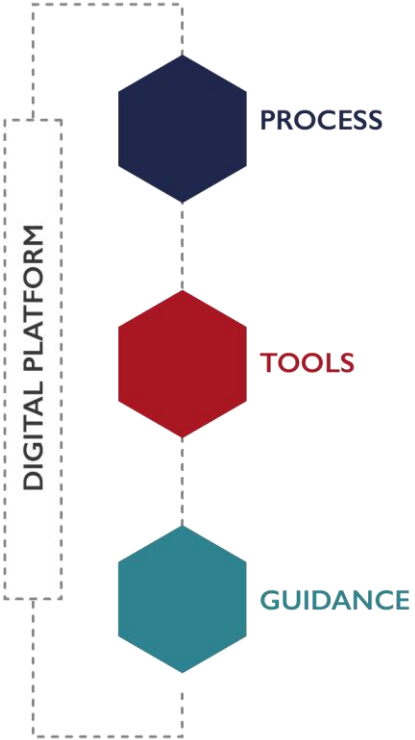
SETTING PROJECTS UP FOR SUCCESS



Value-based decision making focuses on how an investment can deliver the best outcomes and thus value, rather than focusing exclusively on delivering to the lowest possible price.



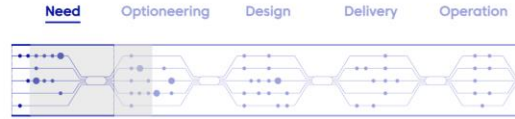
THE VALUE TOOLKIT OVERVIEW



AN INTEGRATED PROCESS

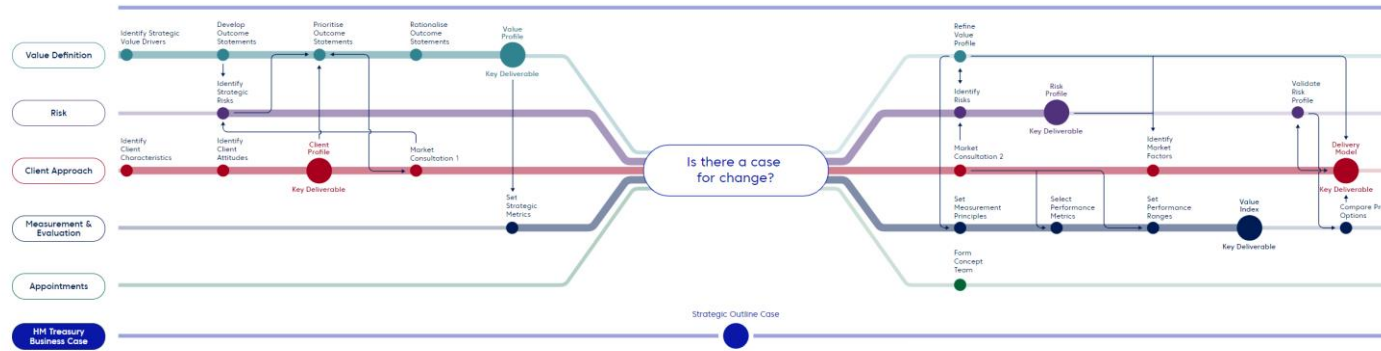


Click and drag the graphic opposite to navigate through each phase. You can also click and drag the full diagram below.

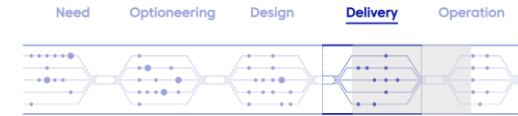


Need Phase

Defining the problem that needs to be solved or goals that need to be achieved. It includes consideration of whether any intervention is required or whether a 'do nothing' option is the right conclusion at this stage.



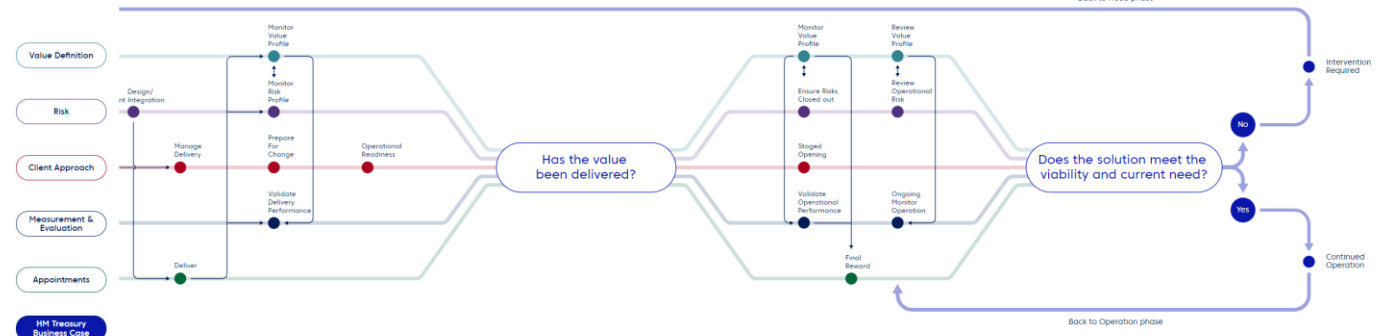
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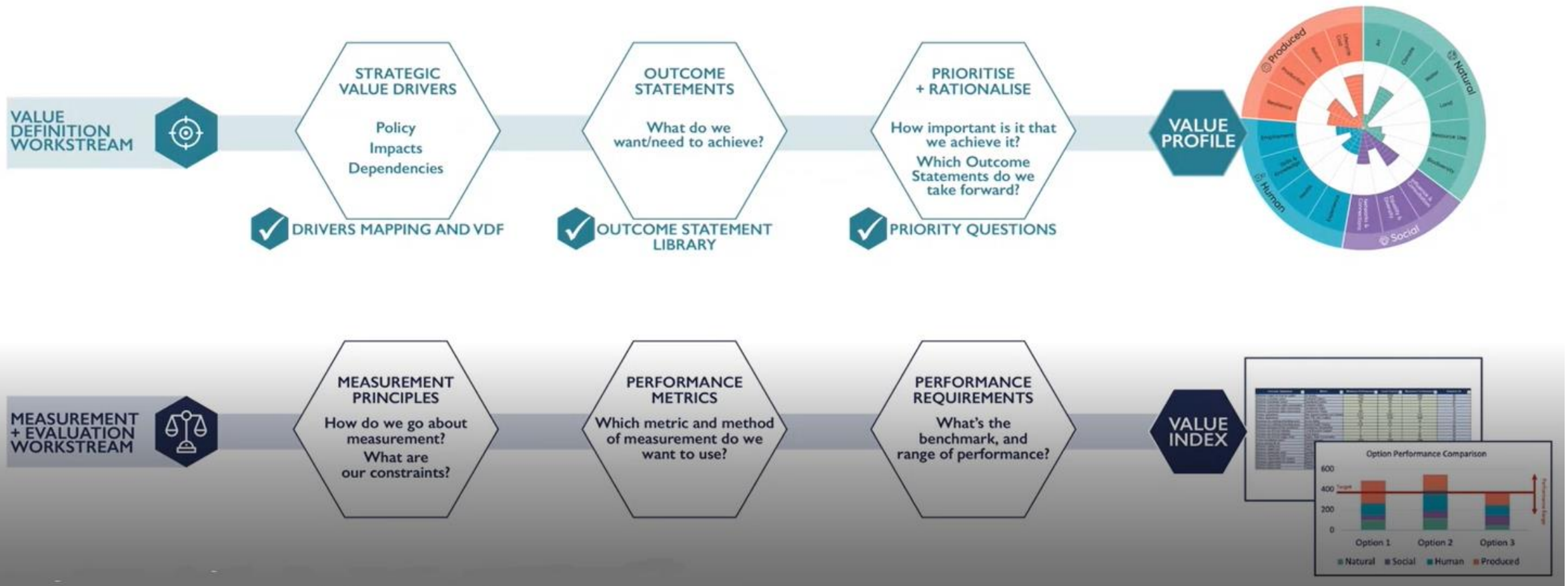
Constructioninnovationhub.org.uk/value-toolkit/

Delivery Phase

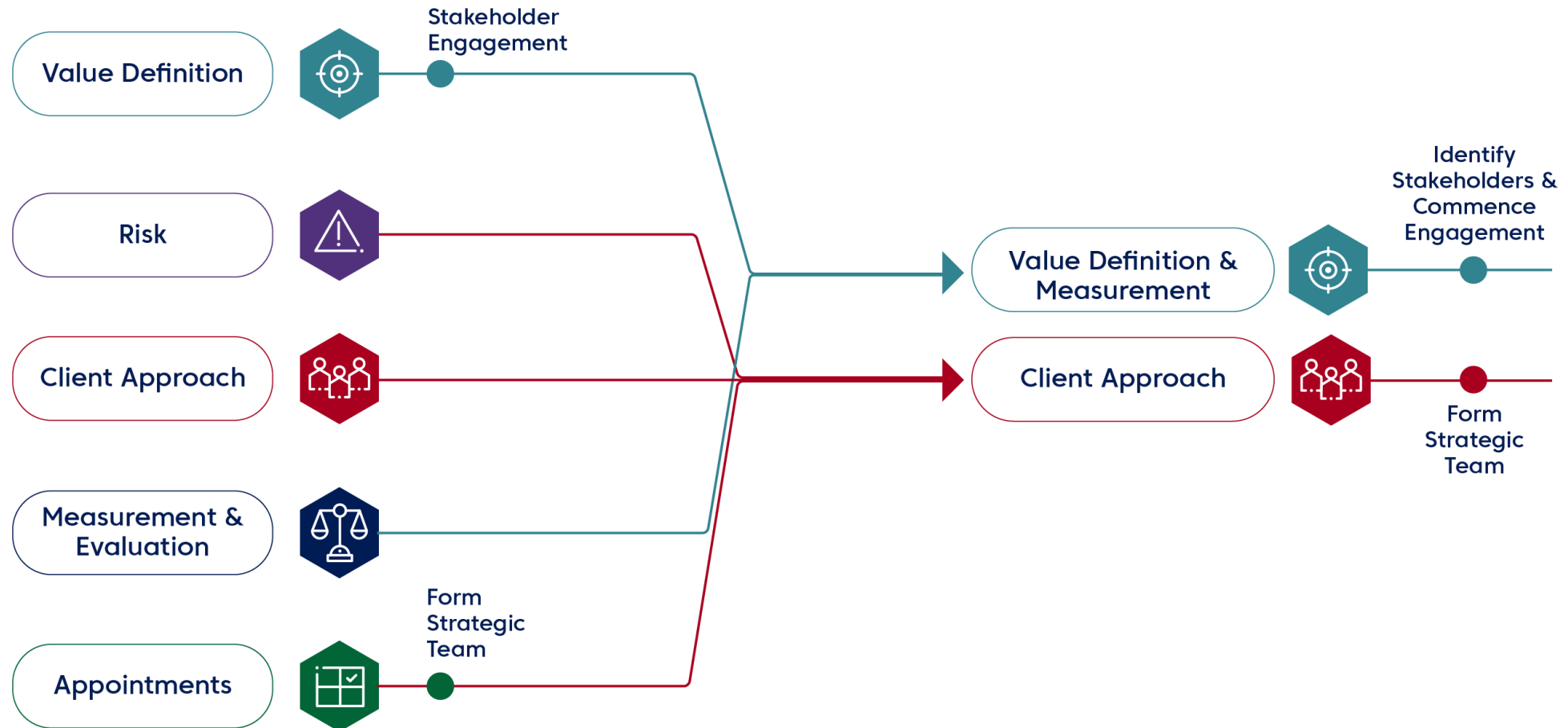
Contract award and delivery of the solution, including any further design work. Progress is monitored both to record outcomes realised in delivery and to refine outcomes relating to operation.



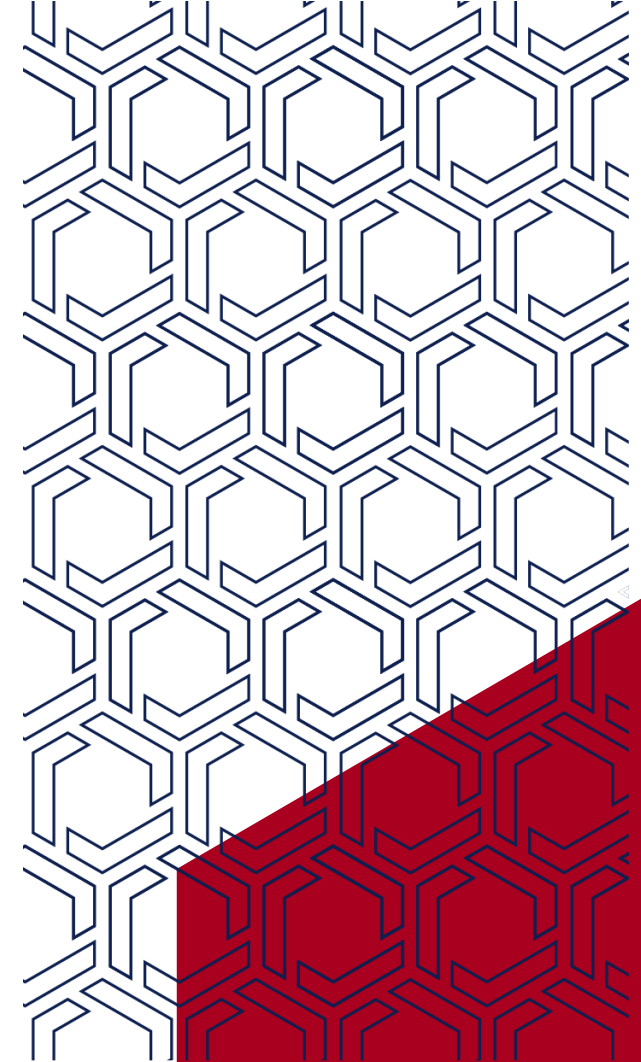
A SIMPLIFIED PROCESS



A SIMPLIFIED PROCESS

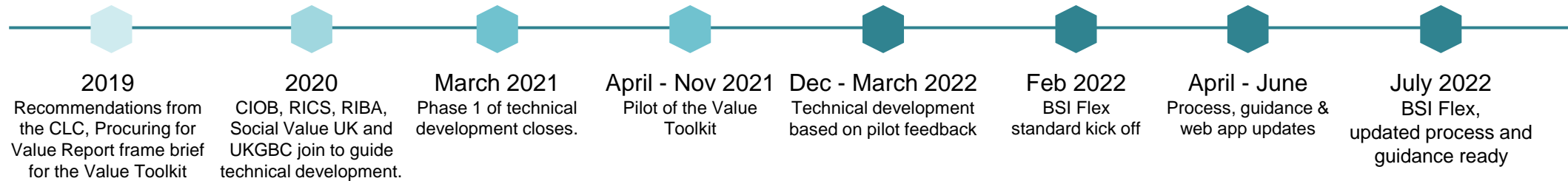


COLLABORATIVELY LED



THE JOURNEY TO DATE

So in 2019, Construction Innovation Hub set out on a journey to help clients:



What have ACE Wales done to support this?



OUR PARTNERS



PILOT PHASE- APRIL TO NOVEMBER 2022

Pilot phase (April-Nov) of the Value Toolkit working directly with **clients (Early Adopters)** and **practitioners (Early Implementers)**.

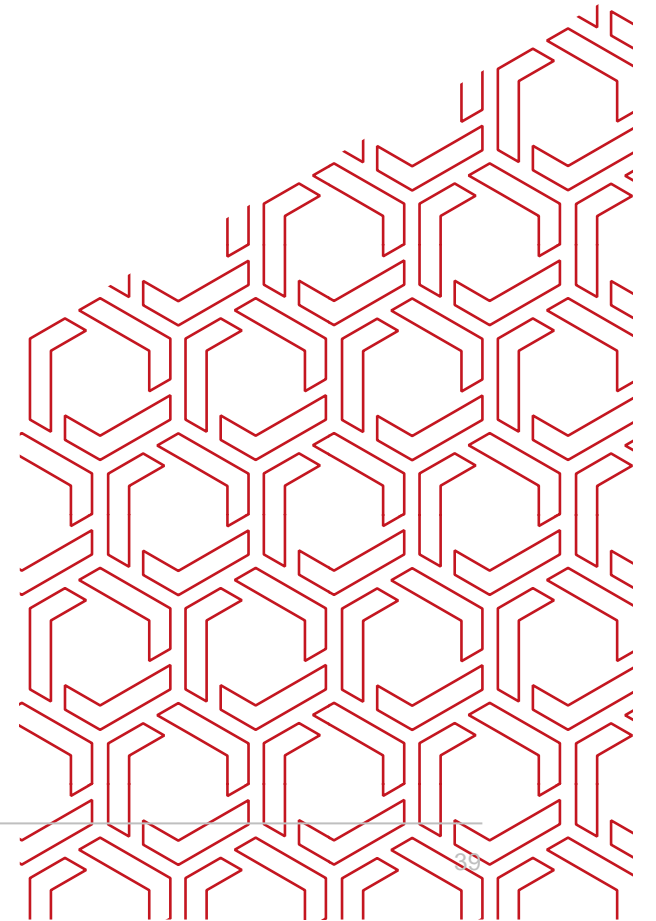
- Dublin Metro
- National Highways
- Housing Association
- Local Authority Leisure
- **Welsh Housing**
- DEO
- SCF Framework
- Home Office
- West of England Combined Authority
- Forestry England
- Sellafield
- The Environment Agency
- University of East Anglia
- Scape Construction Framework

WHY USE VALUE TOOLKIT IN WALES?



- Value is the Golden Thread throughout the life of the project
- Provides a framework to deliver better value
- Slows the process down, to go quicker
- Stimulates the hard questions being asked and answered
- Repeatable process, consistency and auditable
- Ideally suited to accommodate rich Policy Framework in Wales
- Agnostic to Gateway Procedures e.g. RIBA, GRIP, AMP, WG Capital
- Complementary with other measurement tools

**Imagine if industry and
Clients began to adopt the
Value Toolkit process
without it being mandated?**








Values Toolkit Workshop Content

Methodology

Well-being of Future Generations (Wales) Act 2015



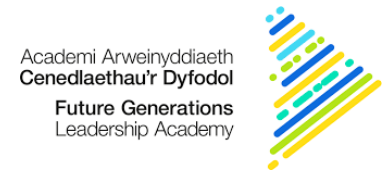
THE DUTY	WHAT	HOW	WHO
<p>Public bodies in Wales must carry out sustainable development, which means:</p> <ul style="list-style-type: none"> the process of improving the economic, social, environmental and cultural well-being of Wales by taking action in accordance with the sustainable development principle 	<ul style="list-style-type: none"> Future Generations Commissioner Wales, the only role of its kind in the world (Sophie Howe) Setting the vision of the future Wales – The 7 well-being goals. Public bodies need to take all reasonable steps, set and publish objectives that contribute to achieving the goals 	<ul style="list-style-type: none"> Public bodies must take account of the 5 ways of working <div style="display: flex; align-items: center;">  Long term  Integration  Involvement  Collaboration  Prevention </div>	<ul style="list-style-type: none"> Public Bodies and Public Services Boards Devolution boundaries - only public sector <p>Public bodies include: Welsh Gov, Local Authorities, Local Health Boards, National Parks Fire and Rescue, National (Natural Resources Wales, Arts Council, Sports Council, National library, etc.)</p> <p>Currently 44 PBs</p>

7 Well-being Goals



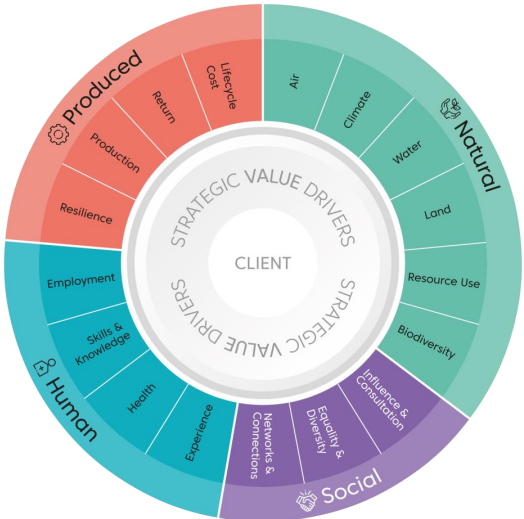
Our involvement:

- Participating in the **Future Generations Leadership Academy**
 - Sam White (MD), Reverse mentoring
 - Manuel Cortes member of the 21/22 cohort
- Continuous and fruitful relationship with the Office of the Future Generations Commissioner



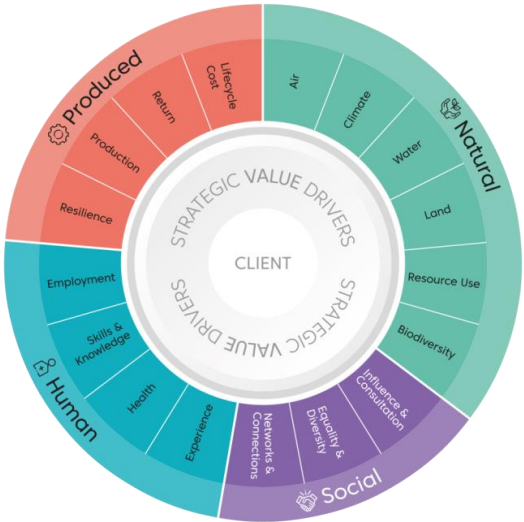
Overarching Aim

To drive better social, environmental, and economic outcomes through value-based decision-making.

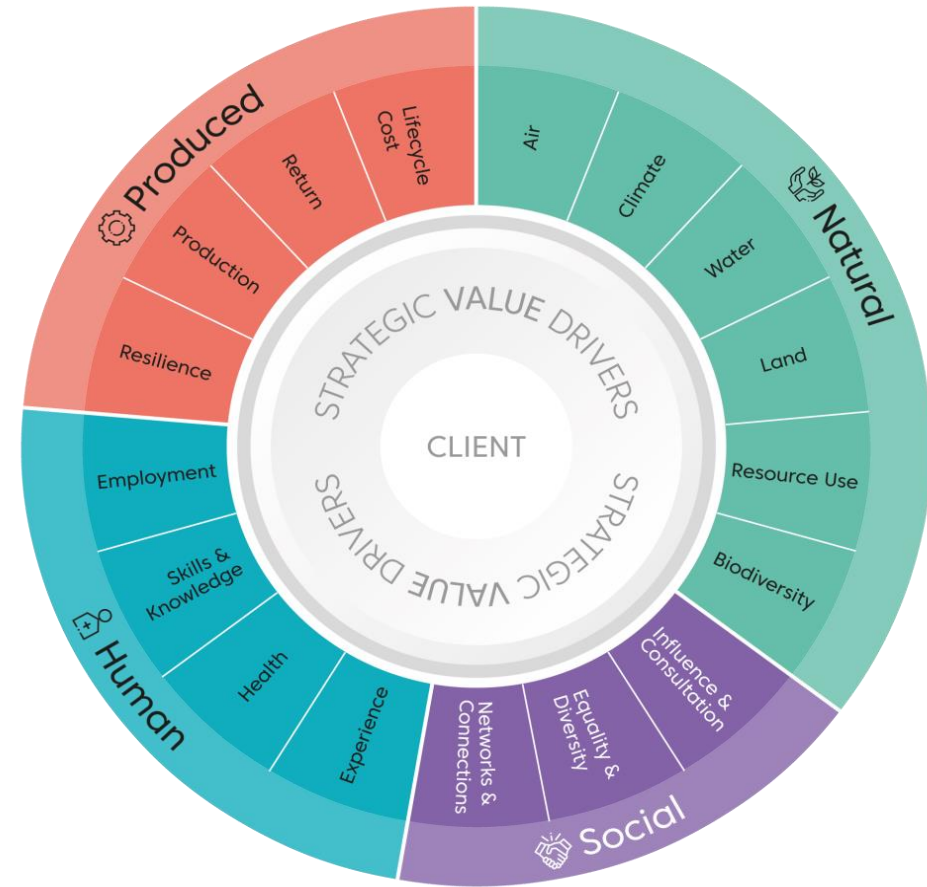


How The Toolkit Works

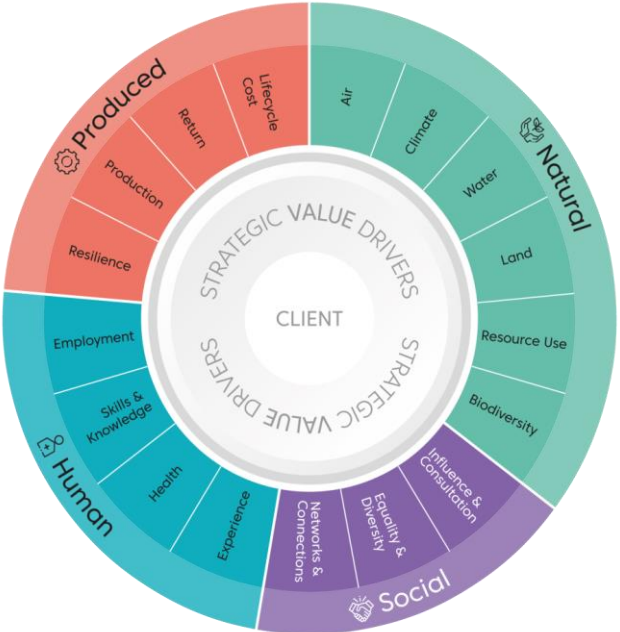
As a digital resource, the Toolkit enables clients to test different scenarios and decision weightings quickly and in real-time



The Toolkit is based upon a framework that evaluates value against a 4 capitals model, in a manner that can be measured and communicated clearly and consistently.



5 Integrated Streams of Activity



The **value** definition stream develops and refines a unique value profile for a project, programme, or portfolio. Enabling clients and their stakeholders to articulate what’s important to them – their core values and drivers.



The **Risk** stream helps clients to identify risks and create a *Risk Profile* for the project.



The **Client Approach** stream helps clients to select a Delivery Model and build a Commercial Strategy that best fits the Value Profile of a project. It focuses on how clients work with the market to effectively deliver value and address risks in an effective way.

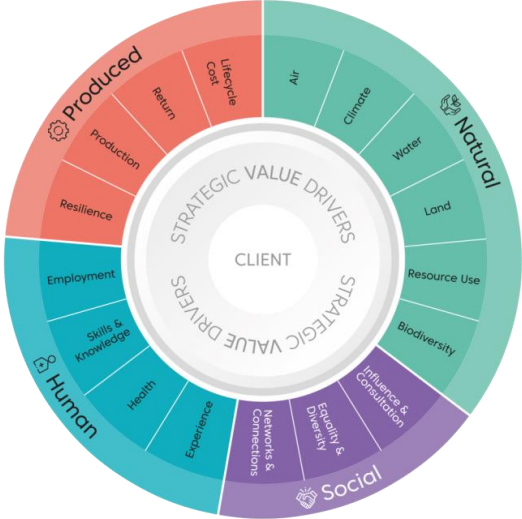


The **Measurement & Evaluation** stream builds on the Value Profile to develop a project- or program-specific *Value Index*



The **Appointments** stream helps the client build a team of highly motivated individuals and organisations that will deliver all phases of a project – from the validation of the business case through to the operation of the asset.

Benefits of the Values Toolkit Workshop

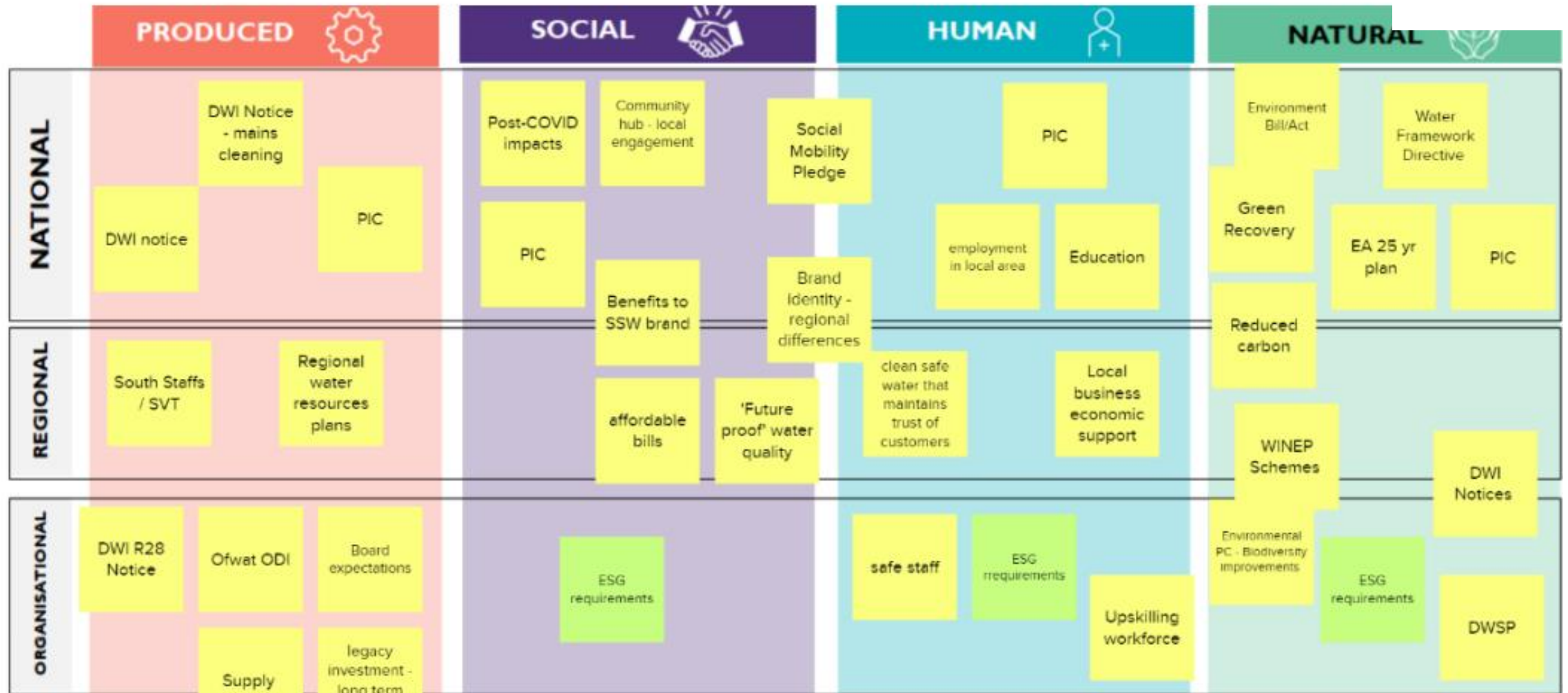




PROJECT CONTEXT

ISSUE	IMPACT	VALUE	STRATEGY	MEASUREMENT	MONITORING	REPORTING
	<p>Impact on the community and environment</p> <p>Impact on the project's reputation</p>	<p>Improved community relations</p> <p>Enhanced project reputation</p>	<p>Engage with the community and environment</p> <p>Communicate the project's benefits</p>	<p>Community and environmental impact</p> <p>Project reputation</p>	<p>Community and environmental impact</p> <p>Project reputation</p>	<p>Community and environmental impact</p> <p>Project reputation</p>
	<p>Impact on the project's schedule</p> <p>Impact on the project's budget</p>	<p>Improved project schedule</p> <p>Reduced project budget</p>	<p>Optimize the project's schedule</p> <p>Control the project's budget</p>	<p>Project schedule</p> <p>Project budget</p>	<p>Project schedule</p> <p>Project budget</p>	<p>Project schedule</p> <p>Project budget</p>
	<p>Impact on the project's quality</p> <p>Impact on the project's safety</p>	<p>Improved project quality</p> <p>Enhanced project safety</p>	<p>Optimize the project's quality</p> <p>Control the project's safety</p>	<p>Project quality</p> <p>Project safety</p>	<p>Project quality</p> <p>Project safety</p>	<p>Project quality</p> <p>Project safety</p>
	<p>Impact on the project's risk</p> <p>Impact on the project's compliance</p>	<p>Reduced project risk</p> <p>Enhanced project compliance</p>	<p>Identify and mitigate project risks</p> <p>Ensure project compliance</p>	<p>Project risk</p> <p>Project compliance</p>	<p>Project risk</p> <p>Project compliance</p>	<p>Project risk</p> <p>Project compliance</p>



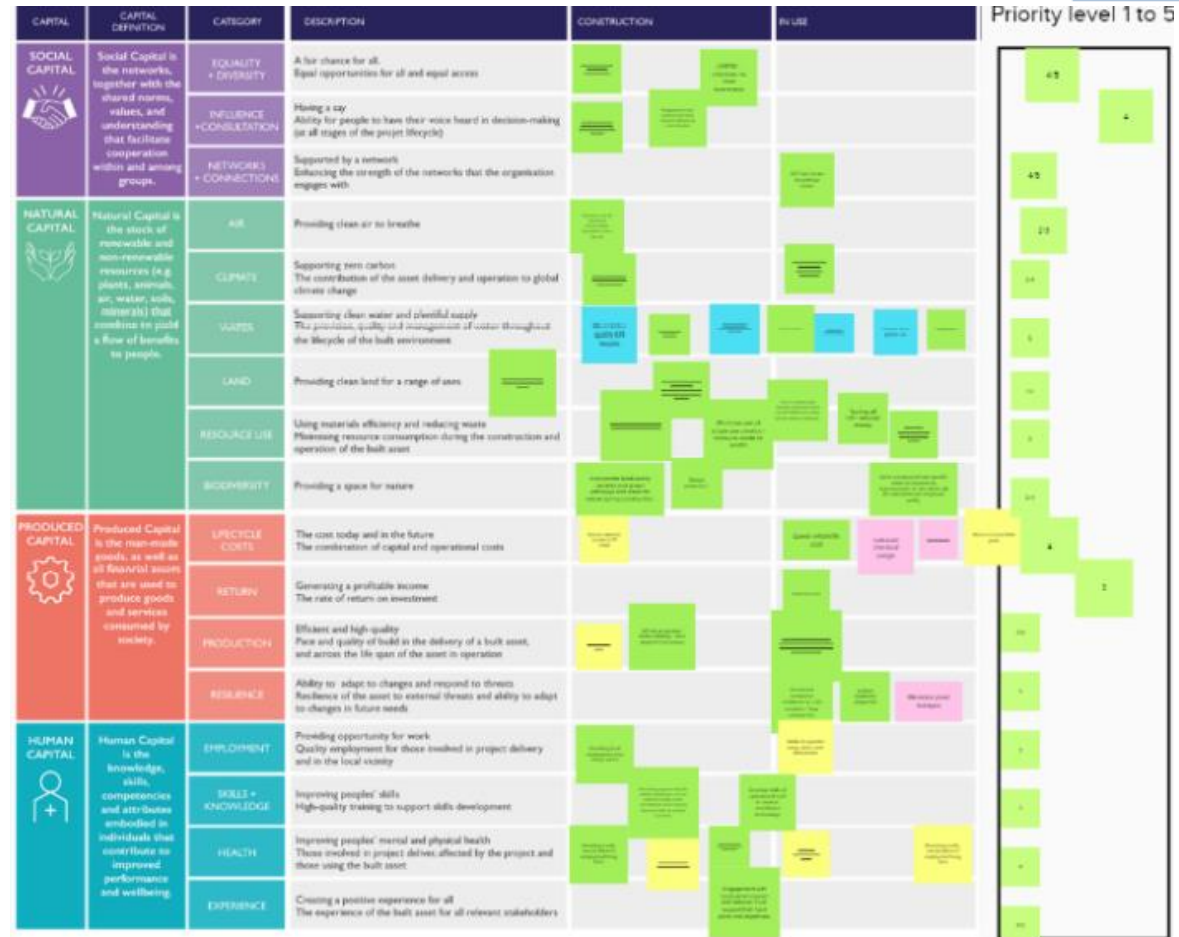




CONSTRUCTION INNOVATION HUB

Developing outcome statements

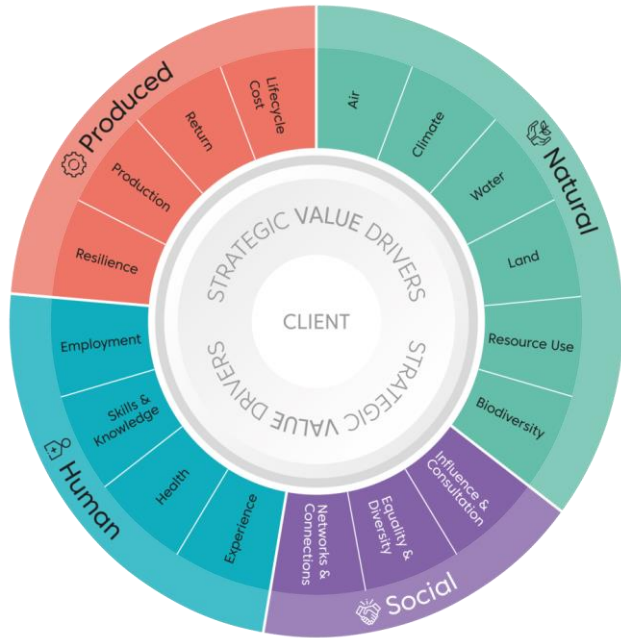
Initial outcomes are identified in each of the 4 capital areas of natural, social, human and produced capital, for both the 'in construction' and 'in operation'



Ref	Capital	Category	Outcome Statement	Strategic Fit	Influence, (1-5)	Risk, (1-5)	Capability / Capacity, (1-5)	Driving Change, (1-5)	Count	Number of Relevant SD References	Weighted Score
OS-1	Natural	Water	Improvement in water quality from existing site conditions (30% in acceptability)	5	5	5	5	5	25	4	5.3%
OS-2	Natural	Air	Low levels of air pollution during the construction phase.	1	3	2	4	2	12	1	1.4%
OS-3									0	0	
OS-4	Natural	Water	Low levels of water consumption in building operation.	5	3	2	5	2	17	4	2.6%
OS-5	Natural	Water	Safeguard water quality during construction	5	5	5	5	5	25	4	5.3%
OS-6	Natural	Water	Work with local land owners to raise awareness of water quality	5	3	3	5	3	19	4	3.3%
OS-7	Natural	Air	Improved atmospheric air quality during the operation of the asset from existing site conditions	1	1	1	1	1	5	1	0.2%
OS-8	Natural	Land	Asset where land value/ amenity are maintained from existing site conditions	1	3	2	4	2	12	1	1.4%
OS-9	Natural	Resource Use	Increased use of electrical equipment over diesel	3	1	1	1	3	9	2	0.5%
OS-10	Natural	Water	Continue to work across our catchment area to treat issues at source	5	4	3	5	3	20	4	3.5%
OS-11	Natural	Biodiversity	Delivery of biodiversity net gain in delivery (green pathways, nature areas)	1	3	1	5	3	18	1	1.5%
OS-12	Natural	Biodiversity	Specific areas of biodiversity improved annually	1	3	2	5	3	14	1	1.9%
OS-13	Natural	Biodiversity	Badger protection	1	2	3	5	2	18	1	1.9%
OS-14									0	0	
OS-15	Natural	Climate	Low upfront carbon emissions during project delivery (module A).	3	2	1	3	2	11	2	0.9%
OS-16	Natural	Climate	Low operational carbon emissions during asset use (module B).	3	4	4	5	4	20	2	3.4%
OS-17	Natural	Climate	Low end of life carbon emissions (module C).	3	2	3	4	3	15	2	2.0%
OS-18	Natural	Climate	Reduced post end of life carbon emissions (module D).	3	2	2	4	2	13	2	1.5%
OS-19	Natural	Climate	Deliver an asset with long life expectancy.	4	3	5	5	4	21	3	4.1%
OS-20	Social	Influence & Consultation	Levels of disruption to local community (incl. managing the negative outcomes such as a pathway blocked)	3	3	2	4	2	14	2	1.7%
OS-21	Social	Influence & Consultation	Quarterly newsletter to reach X residents with Y assessment of usefulness	3	5	2	5	4	19	2	2.7%
OS-22	Social	Influence & Consultation	Engagement with national and local politicians as need dictates	3	3	2	5	3	16	2	2.2%
OS-23	Social	Equality & Diversity	Workforce that reflects the demographics of the local area and/or stakeholder group (e.g. local authority district).	1	2	2	2	1	8	1	0.6%
OS-24	Social	Equality & Diversity	High levels of inclusivity felt by workforce (incl. bullying, respect for identity)	1	2	1	1	1	6	1	0.3%
OS-25	Social	Equality & Diversity	LGBT+ initiatives to raise awareness	1	2	1	1	1	6	1	0.3%
OS-26	Social	Equality & Diversity	Increase in number of woman in the construction team	1	2	1	1	1	6	1	0.3%
OS-27	Social	Networks & Connections	SVT (expand) and sector knowledge share in specific technologies	4	3	2	1	2	12	3	1.0%
OS-28	Social	Networks & Connections	Strength of relationships with local networks and supply chain	4	3	2	2	1	12	3	1.2%
OS-29	Natural	Climate	Significant reduction in operational energy usage	5	4	4	5	4	22	4	4.2%
OS-30	Natural	Land	Ensure in and around the site is maintained to a safe and clean standard	3	5	5	5	5	23	2	4.4%
OS-31	Natural	Land	Contribution to National Trust car parking (measure number of visitors)	3	2	1	1	1	8	2	0.4%
OS-32	Natural	Land	Improved land use for SSW and public	3	2	1	1	1	8	2	0.4%
OS-33	Natural	Resource Use	Low levels of waste produced during construction and operation	4	3	2	5	4	18	3	2.7%
OS-34	Natural	Resource Use	Low use of single use plastic	4	2	3	3	4	16	3	2.1%
OS-35	Natural	Resource Use	Reduced chemical usage as a result of deoptimised coagulation	4	5	5	5	5	24	3	4.9%

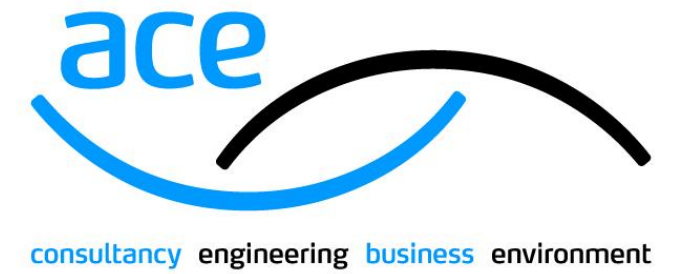


Methodology for aligning a value-based approach to assets



- Stage 1 Business case and benefit review
- Stage 2 Strategic drivers and outcomes development
- Stage 3 Stakeholder workshop and development of community activity
- Stage 4 Outcomes prioritisation including workshop
- Stage 5 Development of the value index
- Stage 6 Review of commercial strategy for implementation

Questions/Discussion?



Risk – can we
manage it
better?
Ed Evans



Why are “risk conversations” so difficult?

- Stressful?
- Uncertain?
- Difficult decisions?
- Unwanted answers?
- Complicated?
- Resource intensive?
- “Winners” and “Losers”?



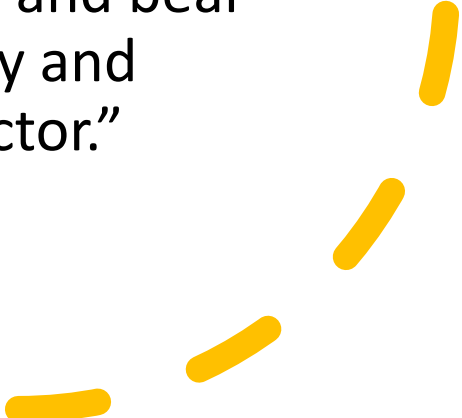


What does the Playbook say about it?

“We need to be confident in our ability to effectively manage risks and solve problems collaboratively throughout the project and programme lifecycle.”

“Collaborative and trusted relationships based upon a fair return and sustainable outcomes supports a value-based delivery model. Difficult decisions?”

“ Ensuring that risks are owned or jointly owned by the party or parties best able to manage and bear them is key to delivering value for money and successful outcomes with the private sector.”



What risks?

- Materials inflation
- Availability of labour
- Pandemics
- Liabilities
- Legislation
- Social value
- Carbon impacts

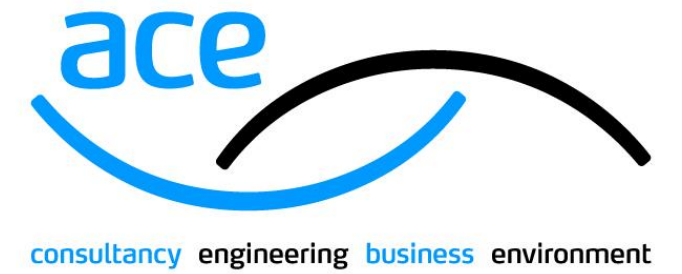


How can we better manage risk?

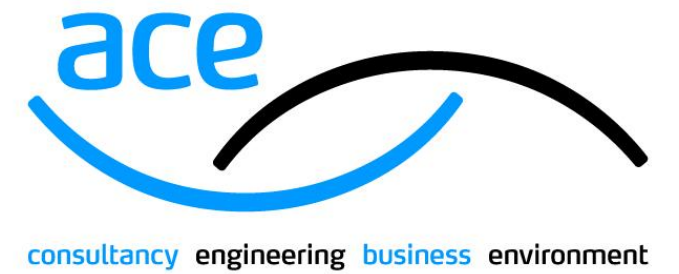
Key points from Playbook

1. Meaningful market engagement - set collaborative tone and provide clear escalation routes for suppliers.
2. Allocate risks to those best able to bear and manage them (including client) - allocation should reflect the extent to which parties are responsible for risks and their management.
3. Contracts should be designed to be profitable and offer a fair return for the market to be sustainable. Test profitability under different circumstances.
4. Payment mechanism and pricing approach (including limits of liability) should reflect the level of risk and uncertainty in the scope of requirement – needs greater scrutiny.
5. When a contract is publicly designated as onerous, it should prompt a root cause analysis and conversation with the supplier.

Questions/Discussion?



Adding value
through
digitisation
Gwyn Roberts





The Added Value of Digital

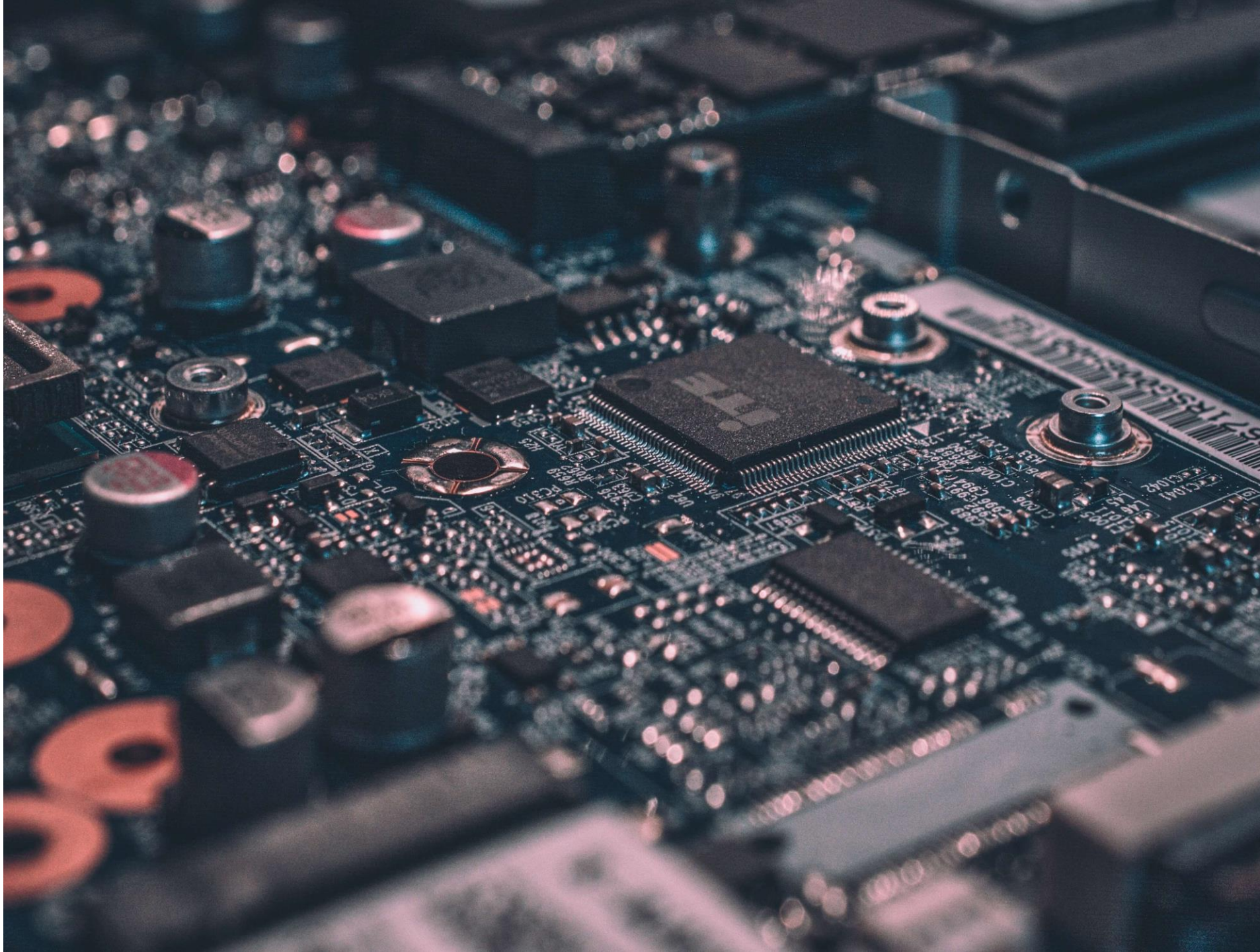
Gwyn Roberts



WHY?



WHY?



WHY?

NOVEMBER 12, 2007

The Politics Of Food
Why you need to care about the farm bill

Joe Klein on The Obama-Clinton Dustup

Hollywood's Top Guns
Streep, Cruise & Redford take on the war

T T T T T T T T T T

From the phone that has changed phones forever, to futuristic cars, to a building made of water, to a remote-controlled dragonfly—a dazzling display of ingenuity

Plus:
The Tech Buyer's Guide

Special Section

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N Navigation	S Sports	O Office	F Fashion
2 Phone	0 Mail	0 Browser	7 Music

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WHY?

REDSTONE
INSIDE THE FAMILY FEUD


WHO TO BLAME FOR COLLEGE COSTS

\$60 OIL? BELIEVE IT

RETIREMENT GUIDE
REARRY OR SHACK UP?
DYING WITHOUT A WILL

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Forbes



Nokia


**ONE BILLION CUSTOMERS—
CAN ANYONE CATCH THE
CELL PHONE KING?**

**PLUS
11 GADGETS WE LOVE**

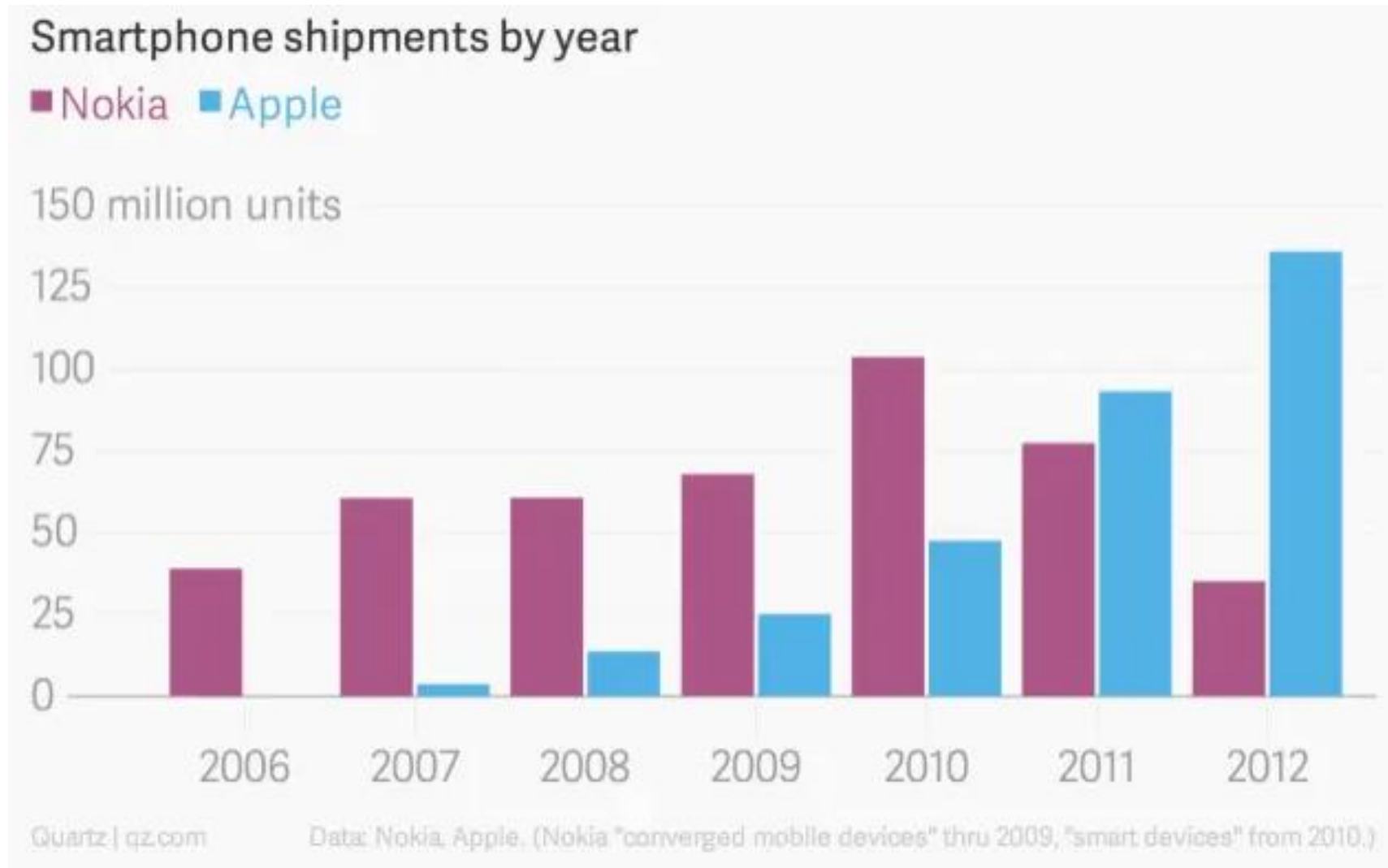
**ALPHA'S
WIRELESS
BLUETOOTH
HEADSET**

Olli-Pekka Kallasvuo
Chief Executive

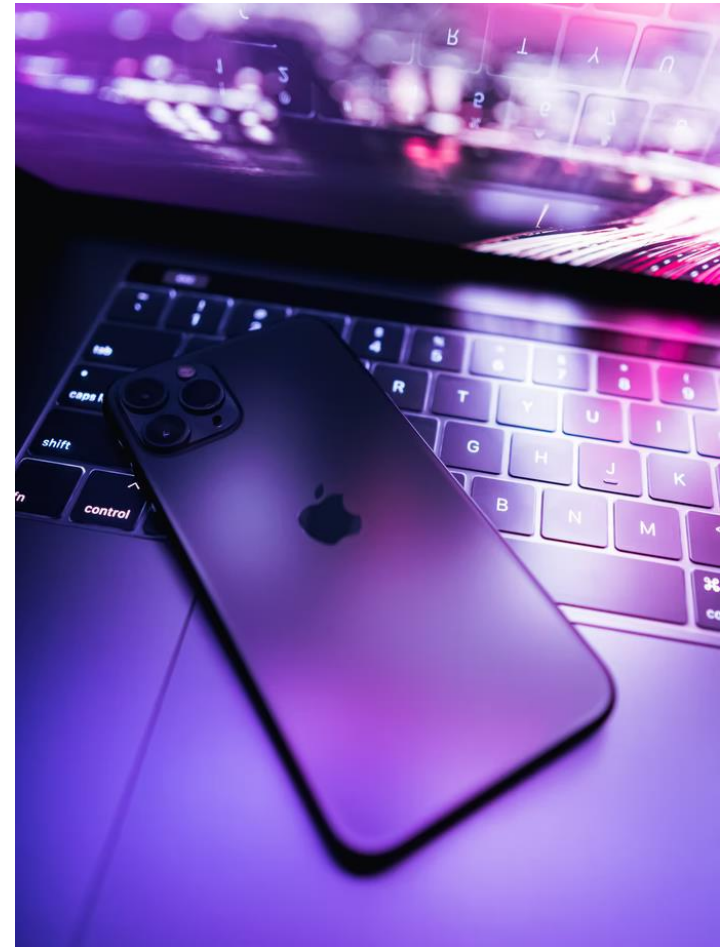
USA \$9 | CANADA \$4.99



WHY?



WHY?



WHY?



Eisenbahnscheinbewegung

WHY?

The construction industry is among the least digitized.

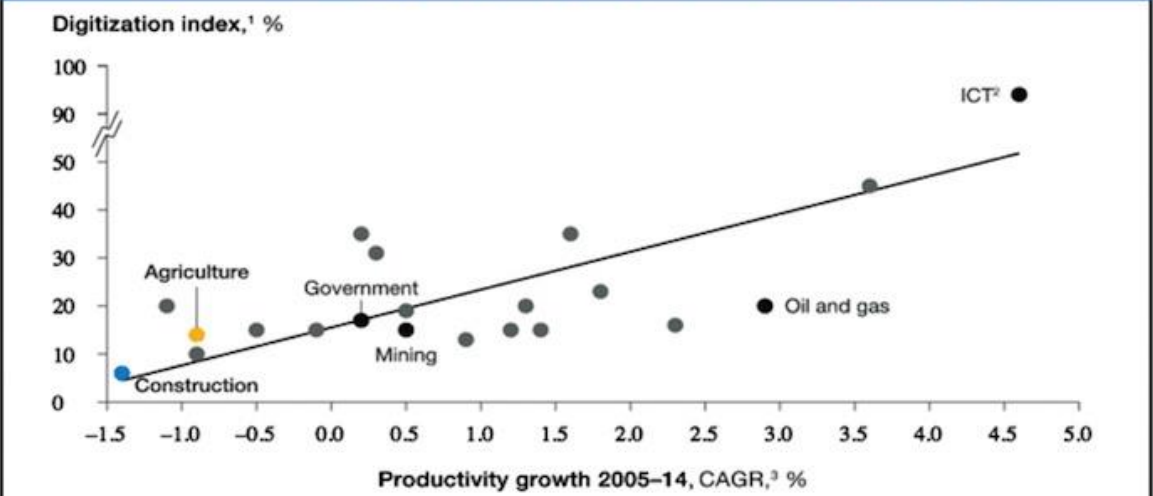
McKinsey Global Institute industry digitization index; 2015 or latest available data

Relatively low digitization Relatively high digitization

● Digital leaders within relatively undigitized sectors



Agriculture & Construction Behind in Digitization



Due to “unique challenges,” the ag and construction industries aren’t utilizing the advantages offered by digitization technologies to develop innovative products or streamline operations.

¹Based on a set of metrics to assess digitization of assets (8 metrics); usage, or integration of digital tools into business processes (11 metrics); and labor (8 metrics); ²Information and communication technology; ³Compound annual growth rate

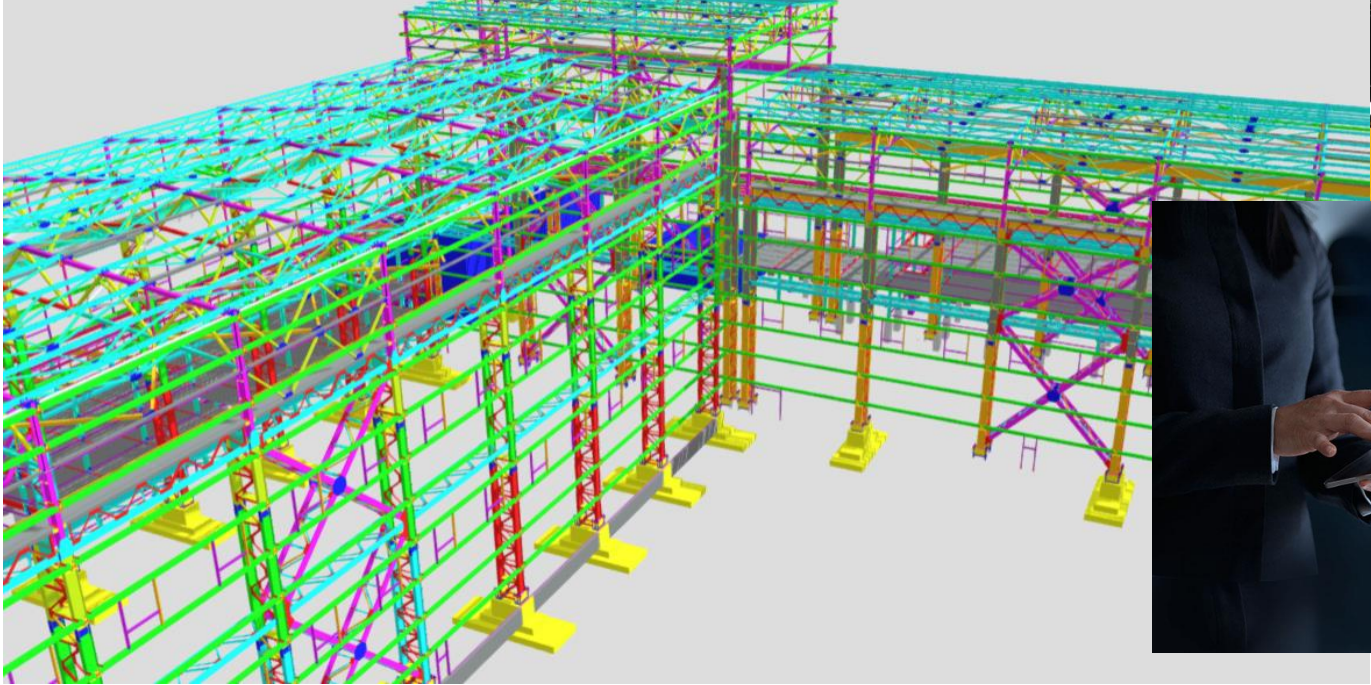
Source: McKinsey Global Institute analysis



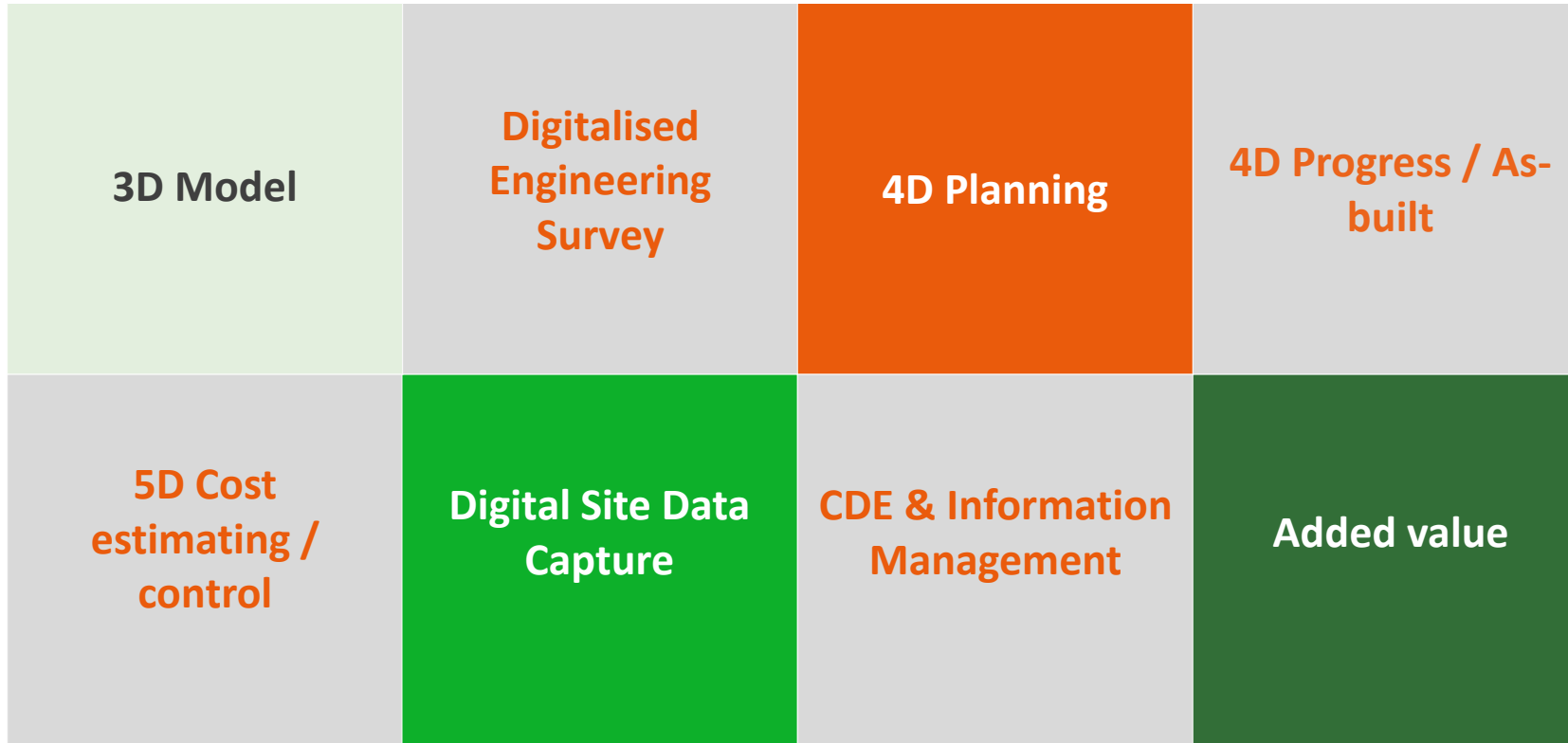
WHAT?



```
a.length;c++) {  
& b.push(a[c]);  
function h() {  
#User_logged".a(), a = q(a), a  
place(/+(?=)/g, ""), a = a.sp  
= [], c = 0; c < a.length;c+  
0 == r(a[c], b) && b.push(a[c  
c = {}; c.j = a.length;  
= b.length - 1; return c;  
var a = b.replace(/  
( ) {  
    a(), b = q(a), b = b.  
}
```



WHAT?



HOW?

Description	Project Benefit	Labour resources saved	Labour time saved	Labour rate per gang hour	Total labour saving
Improved RFI Process	North bank abutment: optimisation of steel in design led to reduction in materials and labour	1 steel fixing gang	120 gang hours	£1,200	£144,000

Materials quantity saved	Materials cost	Total Materials saving
4 tonnes of steel reinforcing bar	£675 per tonne	£2,700

Total Costs	£40,726
Total Benefits	£452,878
Net Benefits	£412,152

* Dec 2020 prices



Project Values: £19-125M

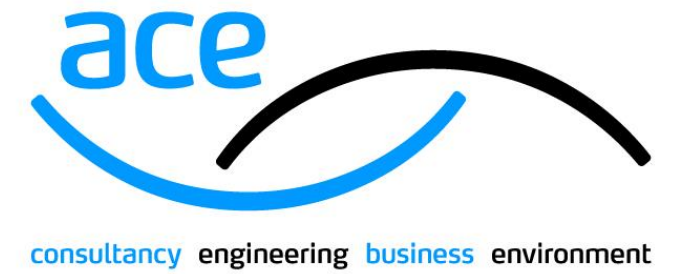
Investments: £40 – 700K

Returns: £100K – 2.8M

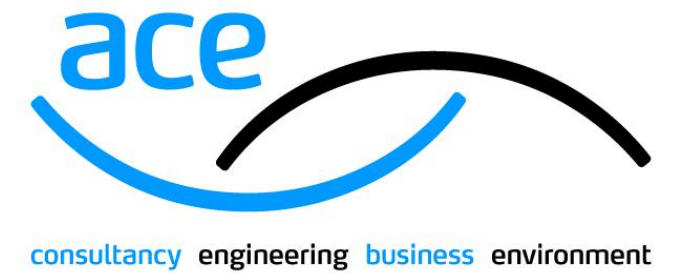
ROI Ratios: 10:1 (average)

Added value: 2-5%

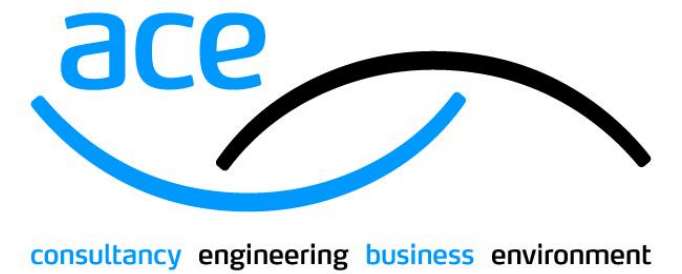
Questions/Discussion?



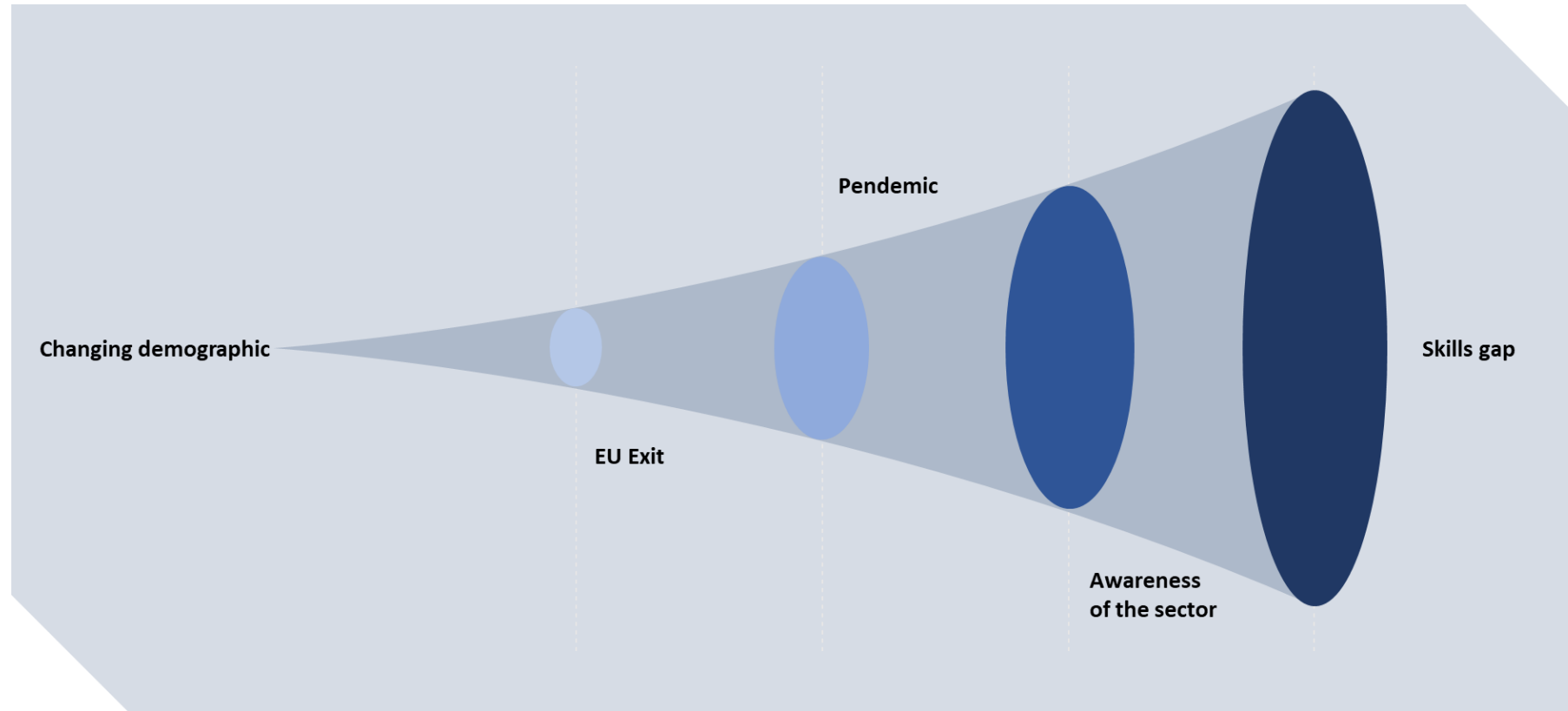
Comfort Break



Social Value and
the skills crisis –
can we do it
better?
Stefano
Jefferson



How are we here?



A greener place Man gwyrdach

What are the Public Sector doing?

Legislation

Policies

Planning

In-house initiatives

Developing a deeper
understanding of
supply chains

A greener place Man gwyrdach

What can we do to unlock further value?

Planning

Leveraging
digitisation

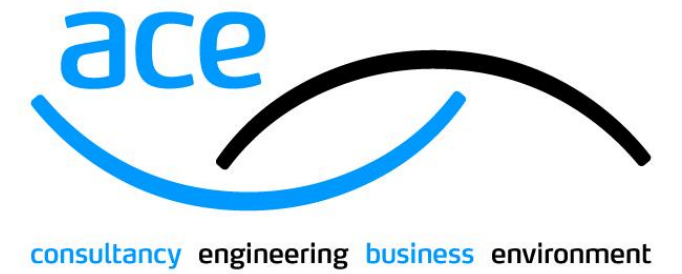
Consolidating
resource

Culture

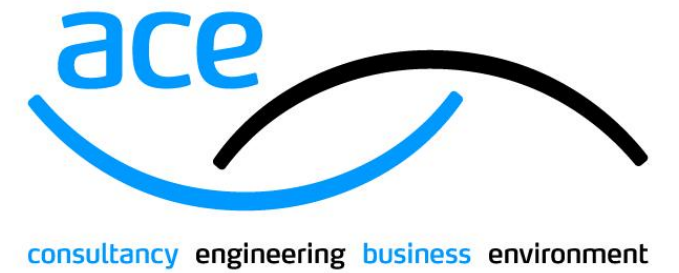
Understanding,
marketing &
communication

A greener place Man gwyrdach

Questions/Discussion?



Valuing carbon
Alasdair Reisner





The value of carbon in
construction

20 May 2022

Delivering Greater Value,
Together!

Why contractors care about CO₂

- Changing Government policy
 - Net Zero commitments
 - PPN 6/21, WPN 12/21
- Huge increase in client interest
- Moral responsibility

What are the challenges?

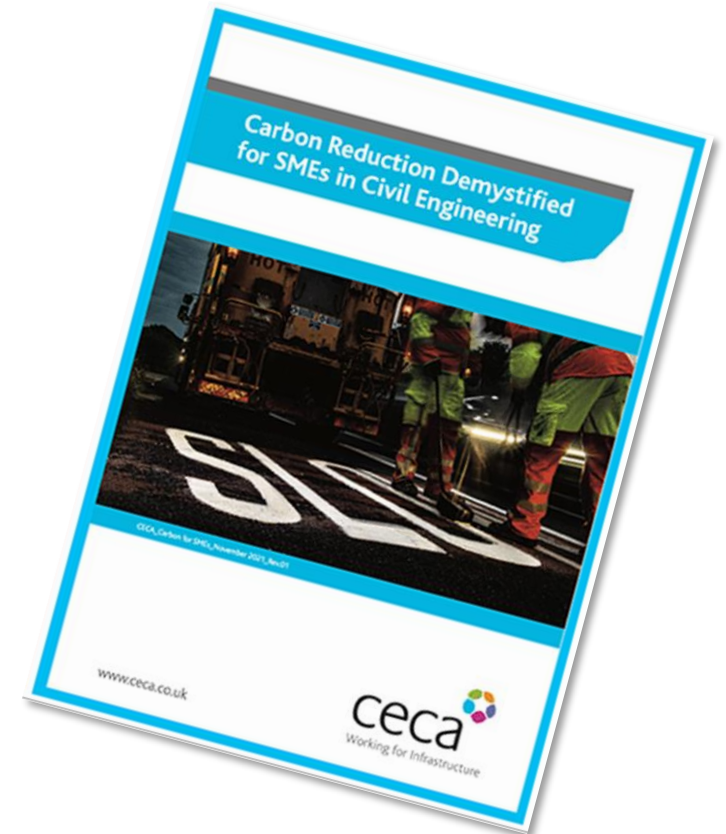
- In 2020 CECA carried out research with SME members in response to 2050 commitment
- Mixed picture of client interest
- Clients struggling with how to assess supplier carbon performance
- ...leads to inconsistency and lack of checking

What are the challenges?

- Difficulty including lower carbon options in bids
- Lack of understanding of carbon reduction by SMEs
- Low incentivization
- Fear of ‘buck passing’
- Need for clear advice

Demystifying carbon

- Published Autumn 2021
- Guidance for SMEs on carbon reduction
 - Explains key concepts
 - Carbon management including PAS 2080
 - Estimating, monitoring and reporting
 - Options to reduce carbon



The bigger picture

- We are also interested in the way carbon in highways can be reduced
- Autumn 2021 - CECA Net Zero Roads report
- Developed following consultation with members of CECA Roads Forum

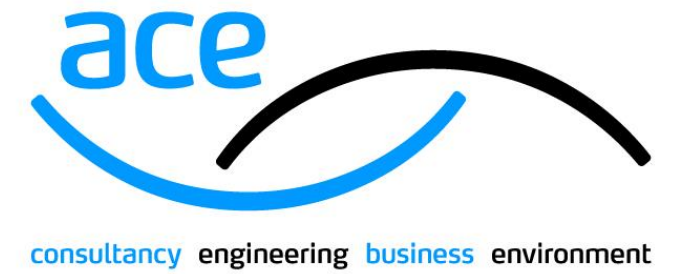
Key recommendations

- Standard Net Zero carbon definition
- Earlier supply chain engagement to unlock lower carbon roads
- Monitor supplier carbon performance
- Low carbon construction tax credits
- Focus on carbon as outcome, rather than lowest cost
- Incentives to promote low carbon alternatives to diesel

CO₂nstruct Zero

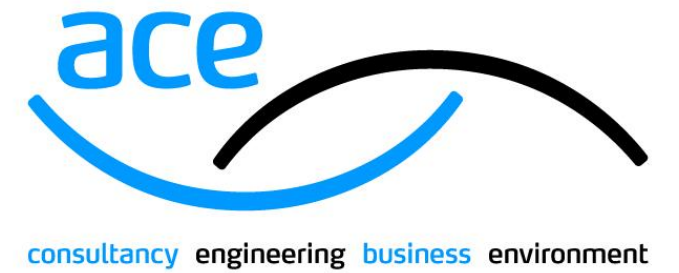
- Construction Leadership Council has developed CO₂nstruct Zero
- Whole of industry campaign to cut carbon
 - a single overarching programme and action plan
 - measurable targets and performance criteria
 - champion policy change
 - signpost industry and showcased at COP26

Questions/Discussion?



Panel Discussion:

What can the public and private sectors do better, together, to deliver greater value?



Summing Up:

Messages from
the three chairs



Close and
lunch

