



Infrastructure Client Group Project 13

A better approach to delivering high
performance infrastructure

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Infrastructure Client Group (ICG)



- identify, share and disseminate best practice in the development and delivery of infrastructure.
- provide a single voice to government and industry.
- support the effective deployment of products.
- achieve these by collaborating with other key industry groups.



ICG Work Programme

H,S &
WELLBEING

INDUSTRY MODEL

PRODUCTIVITY

PEOPLE

ICG LED INITIATIVES

H, S & WELLBEING

Developing a common approach across infrastructure that promotes and enables health, safety and well being.

PROJECT 13

Defining a new approach to delivering infrastructure. Enabling organisations to make the shift from a transactional to Enterprise model.

I3P (INNOVATION)

Establishing a primary driver for innovation and productivity improvement across infrastructure; by fostering a collaborative approach to innovation across clients.

INFRASTRUCTURE RISK GROUP

Optimising and standardising the quantification and allocation of risk across sponsors, owners and the supply chain.

EQUALITY, DIVERSITY & INCLUSION

Developing a common and proactive E, D & I strategy for infrastructure owners.

IPA LED INITIATIVES

TRANSFORMING INFRASTRUCTURE PERFORMANCE

Developing a strategic framework (and supporting initiatives) to increase the effectiveness of investment in infrastructure.

IMPLEMENTATION PROGRAMME (ICE Partnership)

DEPLOYING & EMBEDDING PRODUCTS:

P13 KNOWLEDGE & CAPABILITY

P13 EARLY ADOPTER PROJECTS

BENCHMARKING PROGRAMME

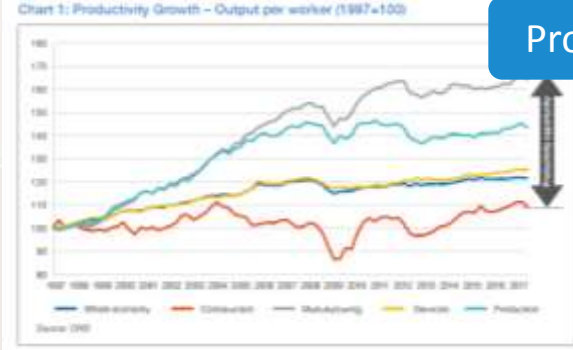
DIGITAL TRANSFORMATION

Facilitating and accelerating Digital Transformation across infrastructure.

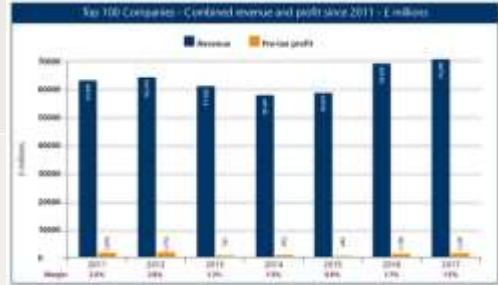
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why we need a new approach



Productivity



Unsustainable Industry

Source: McKinsey & Company, "The construction productivity imperative" By S Changali, A Mohammad and M van Nieuwland, July 2015

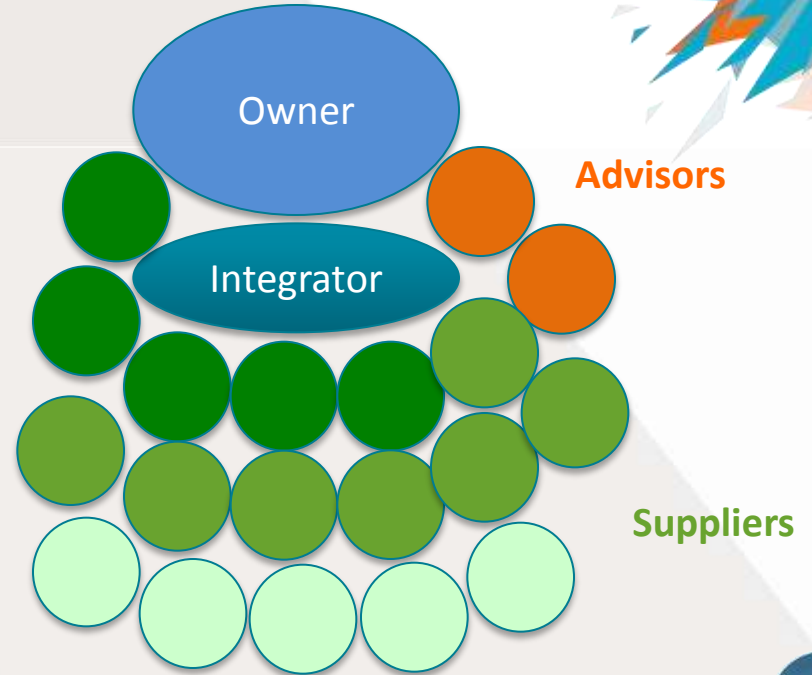
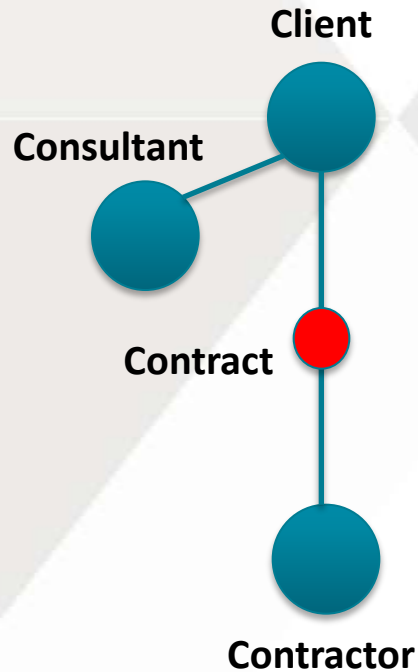
Source: Construction Leadership Council, "The Farmer Review – Modernise or Die" By M. Farmer 2016



Digital Transformation



from transaction to enterprise



P13 Core Principles:



CUSTOMER FOCUS

Enterprise is set up to deliver:

- Customer outcomes
- Long term asset performance

SINGLE ENTERPRISE

A single Enterprise organisation that:

- Integrates the required capability in high performing, collaborative teams
- Is engaged early in developing solutions
- Has supply systems organisationally and commercially aligned with the outcomes
- Effectively integrates engineering and digital technology
- Provides incentives and opportunities for investment

COMMERCIALY SUSTAINABLE

Commercial arrangements that provide potential for a sustainable return, with:

- Value defined at outcome level, through associated baselines and affordability
- The Enterprise rewarded for outcome performance
- An Enterprise built on long term relationships
- Risk aligned with capability - and where possible jointly owned



A shift in our thinking



From Growth

Focus on asset creation

Focus on cost of initial build

Outputs for Clients

Traditional constructed solutions

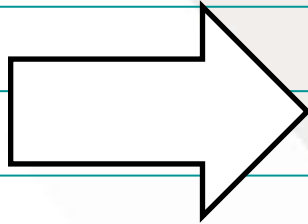
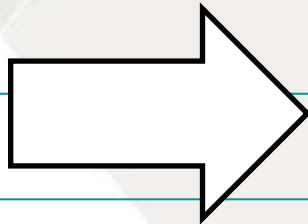
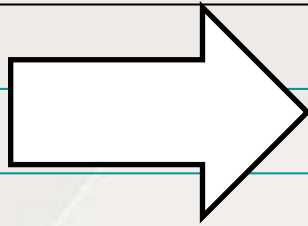
Fragmented, siloed organisations

Limited reward for developing skills

Purchase scope

Short term transactional relationships

Transfer risk



To Maturity

Focus on asset management and operation

Focus on long term performance

Outcomes for the ultimate customers

Innovative integrated digital/physical solutions

Integrated enterprise team

Incentivised to improve skills and staff productivity

Reward outcomes + performance

Long term sustainable enterprises

Incentives joint performance



Three commercial principles;

Alignment – commercial relationships should be aligned with achieving the owner's outcomes.

Rewards – the parties rewards should be based on the value they add in achieving the outcomes.

Risks – risks should be limited to those that the parties can manage. Owner's risks are not passed to the supply chain.

