

How do you put a price on **value**?



Value is one of those words that gets used in so many different ways it's easy to lose track of what it really means.

In the world of food retailing it's normally associated with 'low price'. In infrastructure it means something else, which can be much harder to quantify but is still highly desirable. It's why one of our 4 key pillars which form the heart of our organisation is delivering exceptional value.

In the infrastructure sector value is closer to its true meaning: the worth and usefulness of something. This immediately opens several dimensions for assessing value that go way beyond the cost of delivering a project.

None of this makes cost reduction any less important. In our experience, once you set your mind to engineering better solutions you also find ways to trim the budget while simultaneously delivering better outcomes.



Resilience

Let's take resilience as an example. A more resilient asset will need less repair and maintenance work during its lifetime. It will also be able to withstand the impact of climate change and extreme weather events more effectively.

All of which adds up to a rail or highways network that keeps running efficiently and reliably with minimal hours of disruption for travellers over the coming years and decades. This is clearly a higher value outcome than a low cost asset that is prone to failure.

Reduced disruption

Nobody likes delays, traffic jams, rail replacement services or long diversions. All of these disruptions can also have an economic cost for businesses. Octavius engineers are highly conscious of these factors when we design project solutions.

Increasingly we use offsite and **modular approaches** which mean that rail lines and highways need much shorter closures for repairs and improvements. We've also deployed novel methods that allow our teams to work safely alongside rail lines without needing extensive possessions. We're proud of our record of safely handing back assets ahead of schedule.

Safety

Our commitment to safety is underlined by our award winning STOPThink! cultural awareness programme. It has helped our teams and supply chain partners to fundamentally change our approach to safety.

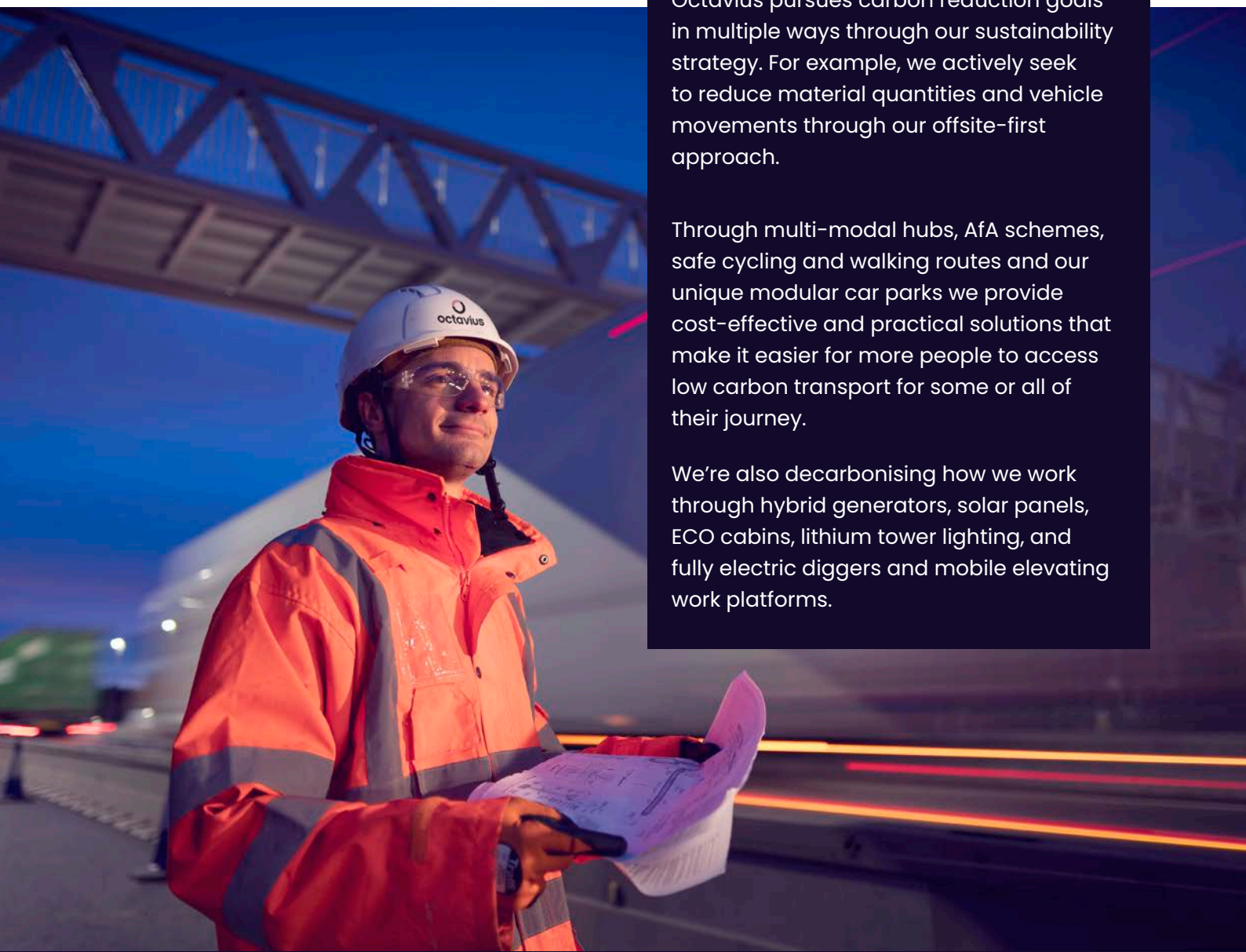
Our safety culture is rooted in individual and collective responsibility – recognising the fact that we all have a responsibility to work safely, and keep our colleagues and the public safe at all times. If it doesn't feel safe, we don't do it.

Carbon reduction

Octavius pursues carbon reduction goals in multiple ways through our sustainability strategy. For example, we actively seek to reduce material quantities and vehicle movements through our offsite-first approach.

Through multi-modal hubs, AfA schemes, safe cycling and walking routes and our unique modular car parks we provide cost-effective and practical solutions that make it easier for more people to access low carbon transport for some or all of their journey.

We're also decarbonising how we work through hybrid generators, solar panels, ECO cabins, lithium tower lighting, and fully electric diggers and mobile elevating work platforms.





Lean principles

We're embedding Lean principles throughout our operations. These principles require us to:

- Identify & specify value from the customer's perspective
- Identify and map the value stream of end-to-end process
- Let the customer pull value by designing processes that respond to customer demand
- Eliminate waste and activities that don't bring value to the end product
- Pursue continuous improvement and perfection

A critical aspect of this is avoiding the temptation to predetermine and impose a definition of value for each project. It's more a case of creating a listening and responsive environment where value, as perceived by customers and end users, flows naturally from the process.

We've delivered Lean awareness training to hundreds of people within our teams and supply chain partners and delivered over £5m of savings in a little over three years.

How do you evaluate value?

One of the tricky things about value-based outcomes is that the benefits can be long term. Procurement processes need to be more sophisticated to deal with this reality so that whole life costs and embodied carbon can be evaluated fairly.

How, for example, do you calculate the economic benefit of reducing a rail possession period by a number of days? Or of completing a major road widening project **three months ahead of schedule?**

Ultimately this calls for trust and a shared vision of what defines a positive outcome.

We've found that frameworks that embody broader objectives provide a more enlightened environment than piecemeal contracting. Better project solutions and outcomes are achieved as a result of collaboration and shared ownership. This is consistent with the aims of the recently updated **Construction Playbook**.

We're also highly conscious of the fact that 'value' isn't something we get to define. It is based on the outcomes that matter most to our customers, road and rail users, and the taxpayer.

Social value

One aspect of value we can measure accurately is social value. We've always made it a priority to support communities with training and employment opportunities, volunteering and help with community and sustainability projects.

Since we introduced the Thrive tool we've been able to easily collect data and calculate our social value contribution down to the penny. In the period for April 2021 to March 2022, Octavius returned £20,237,555.39 of social value - and we're committed to doing more each year.



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To learn more about our approach to project delivery visit our [Transport Infrastructure Resource Centre](#) or contact us by email at hello@octaviusinfrastructure.co.uk