

NATIONAL INFRASTRUCTURE COMMISSION

Sir John Armitt
September 2017

Growing consensus

The creation of the National Infrastructure Commission (NIC) was motivated by a growing consensus among politicians and commentators that the UK's strategic infrastructure had suffered over recent decades from a legacy of underinvestment and a poor record of long-term planning:



“There is growing evidence that the UK’s infrastructure has not been renewed or enhanced when needed... successive Governments have failed to set strategic priorities for infrastructure based on clear projections of future needs.”

The Armitt Review (July 2014)

“After years of inadequate investment in skills, infrastructure and innovation, there are longstanding structural weaknesses in the economy, all rooted in a failure to achieve stable planning, strategic vision and a political consensus on the right policy framework to support growth.”

LSE Growth Commission (January 2013)



International comparisons

A number of other countries have established infrastructure planning organisations similar to the NIC.



**Infrastructure
Australia**

Established: 2008

Infrastructure Australia's role is to “prioritise and progress nationally significant infrastructure.” The body also provides advice to State governments and private providers of infrastructure.



UR URBAN
REDEVELOPMENT
AUTHORITY

Established: 1974

Singapore Urban Redevelopment Authority provides long-term planning for land use analysis for individual government departments and 40-year Concept Plans for the whole state. (Singapore has an unusual degree of political continuity for a democracy– the governing party has been unchanged since the 1950s.)



Infrastructure
New Zealand

Established: 2009

New Zealand's **National Infrastructure Unit** is not wholly independent of the New Zealand government. However, it produces long-term assessments of infrastructure requirements and works with a wide range of public and private sector organisations to help plan infrastructure investment.

Charter for the National Infrastructure Commission (1)

The Charter for the National Infrastructure Commission published on 12 October 2016, it sets out the NIC's purpose and its principal outputs, accountabilities and duties. It sets out the balance of responsibility between the government and the NIC.

The NIC is an executive agency of HM Treasury, the NIC is required to carry out its work in accordance with the remit and the terms of reference for specific studies set by the government. The NIC has complete discretion to determine its work programme, methodologies and recommendations, as well as the content of its reports and public statements.

The Charter commits the **Government** to:

- Issue a formal response to all recommendations contained in NIC reports, stating whether the Government accepts or rejects the recommendations
- Provide reasons for disagreeing with NIC recommendations
- Lay NIC reports before Parliament
- Share relevant information with the NIC and respond to reasonable requests

Charter for the National Infrastructure Commission (2)

The Charter commits the **NIC** to:

- Produce a National Infrastructure Assessment, which will be published once a Parliament and will analyse the infrastructure needs of the UK and recommend how the needs should be met
- Periodically produce other ‘specific studies’ of infrastructure needs as commissioned by the Chancellor
- Produce an annual monitoring report taking stock of government progress in key areas
- Include a “transparent assessment of the impact of costs on businesses, consumers” and other users of infrastructure
- Engage with the public and other policy makers

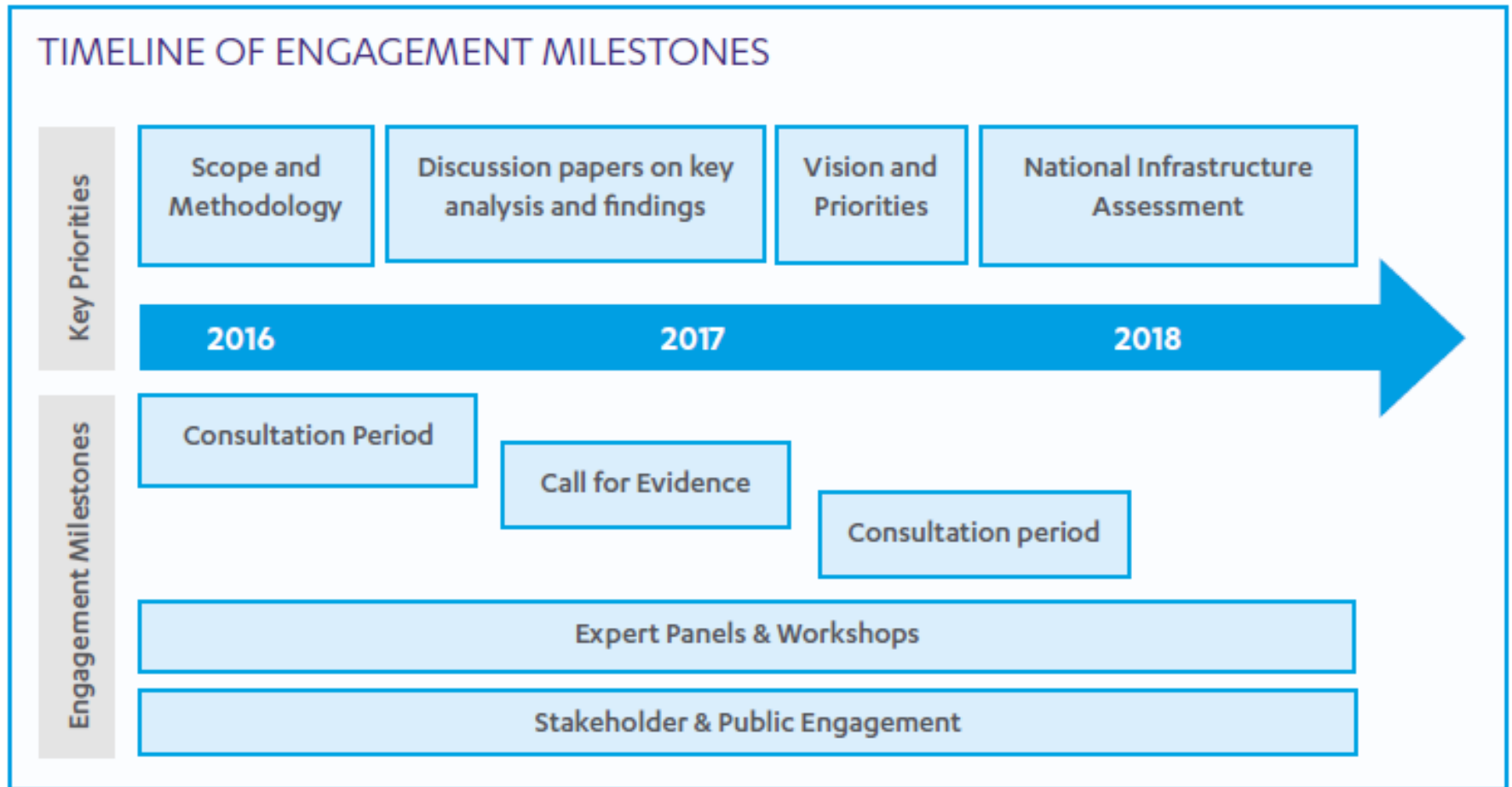
First 15 months studies on

- Crossrail 2
- Northern City Connections
- 5G
- Energy security and supply
- Oxford, Milton Keynes, Cambridge Corridor

Current studies

- NIA 30 year study
- Disruptive technologies

High level timetable for NIA



Process to date?

- By first agreeing the principles, scope and methodology underpinning the Assessment
- By running a wide call for ideas, evidence and solutions
- By seeking diverse views across sectors and regions
- By working closely with experts and other independent organisations
- By asking the wider public what matters to them
- By identifying and studying four key drivers of infrastructure supply and demand
- And by modelling a range of scenarios across the solid waste, water transport and energy sectors

Demand Drivers

- Population growth
- Ageing population
- Urbanisation
- Economic trends
- Climate change
- Technological change

Methodology

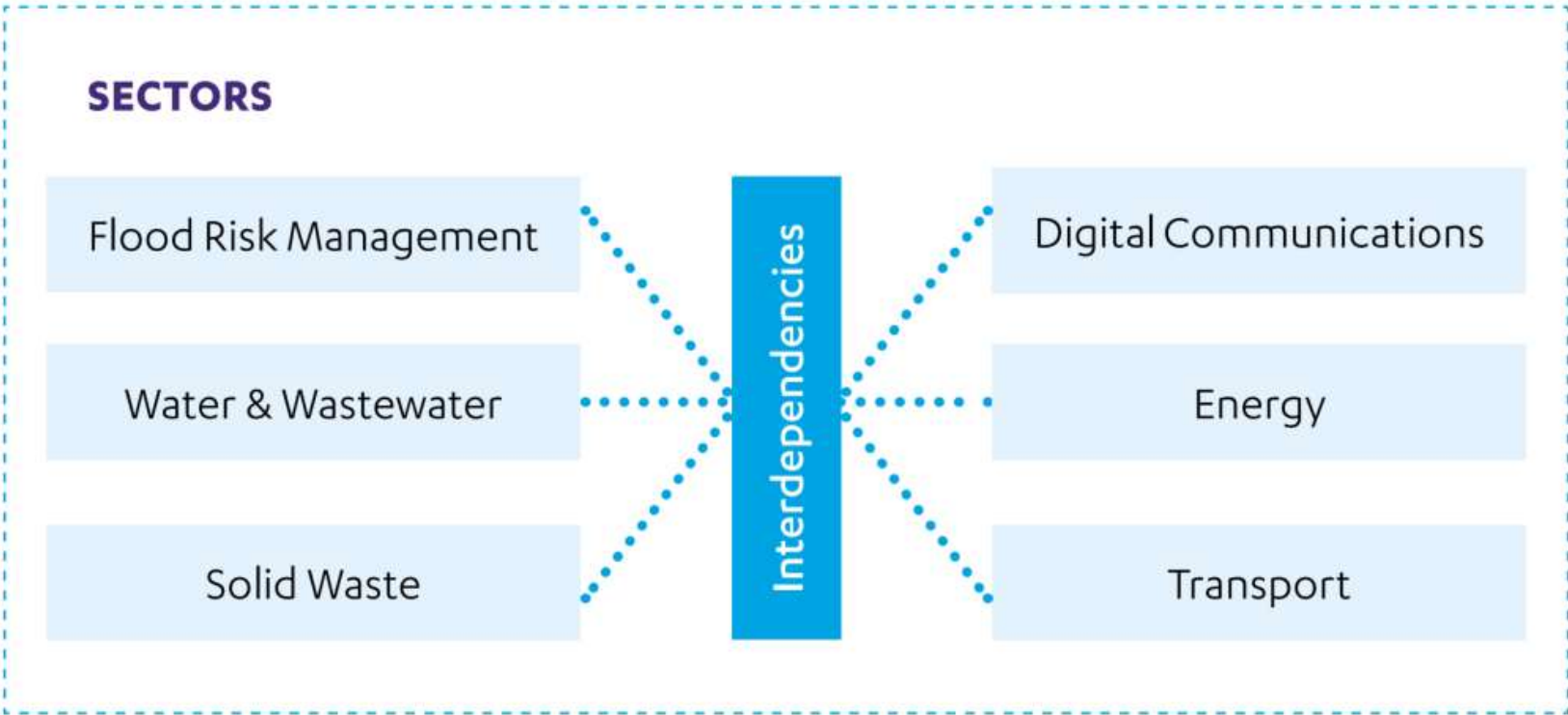


METHODOLOGY

METHODOLOGY

- Develop scenarios
- Quantitative modelling of baseline outcomes
- Capture expertise & opinions
- Social research
- Request local plans & strategies
- Commission analysis/literature reviews
- CBA of individual projects & proposals
- Identify and learn from best practice

Cross-Cutting Issues



National Infrastructure Assessment

- Publish vision Autumn 2017
- Publish report 2018
- Government response Within a year of publication
- Election 2020 / 22

**NATIONAL
INFRASTRUCTURE
COMMISSION**
