

Insights

THE UK NATIONAL INFRASTRUCTURE COMMISSION – A PROGRESS UPDATE

Jan 28, 2016

SUMMARY

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The press release in October 2015 had this headline: "George Osborne commits to £100 billion in infrastructure spending by 2020." And alongside that announcement, the UK National Infrastructure Commission was born.

HISTORY

Many will recall that the original notion of a commission came out of the Armitt review which reported in September 2013 that it recommended a "new National Infrastructure Commission with statutory independence", with a "focus predominantly on "nationally significant" infrastructure as defined by the Planning Act 2008" (so-called 'NSIPs').

After that, in July 2014, Sir John Armitt published a programme for establishing the commission, and then in February 2015 Ed Balls, Lord Adonis and Sir John Armitt set out their stall for the then upcoming May 2015 UK General Election. They said that they were committed to an early introduction of legislation and the establishment of the commission.

Then the General Election happened – with a result we all now know (notwithstanding the pollsters!) – and in October 2015, the Conservative Government established the new commission, with Lord Adonis at the helm as interim chair (having resigned as Labour party whip and sitting as a crossbencher in the Lords).

The intention was that the commission would publish a National Infrastructure Assessment every Parliament, detailing its analysis of the UK's infrastructure needs over a 10 to 30 year horizon, and then the Government of the time would be required to formally respond to the commission's recommendations.

Since then much has happened.

PRIORITY AREAS

Firstly there was a call for evidence (in November 2015) in three priority areas, being:

1. Improving connectivity between cities in the North of England
2. Large-scale transport infrastructure improvements in London
3. Improving how electricity demand and supply are balanced.
4. That consultation closed earlier in January 2016.

UNDER NEW MANAGEMENT

Secondly, in December 2015, the Chancellor has appointed Phil Graham as CEO of the commission (Mr Graham came from the Department for Transport, where he was involved in many major projects, including having a role in respect of the UK Airports Commission, chaired by Howard Davies).

HOW THE COMMISSION OPERATES?

Thirdly, a [consultation](#) was launched in January 2016 as to how the commission should operate.

17 questions in all were posed, as follows, with responses due by 17 March 2016:

1. Do you agree that the National Infrastructure Commission should be established as a non-departmental public body via primary legislation?
2. Do you agree that the commission's National Infrastructure Assessments should be laid before Parliament and that the government must respond within a specific timeframe? What would an appropriate timeframe be?
3. Do you agree that it should not be mandatory for the government to lay the recommendations from specific studies before Parliament, but that the government should have discretion to do so where necessary?
4. Do you agree that economic regulators should 'have regard' to Endorsed Recommendations?

5. Do you agree that government should legislate to oblige the commission to produce National Infrastructure Assessments once in every Parliament?
6. Do you agree that that the precise timing of reports and interim publications should be a matter for the commission in consultation with relevant departments?
7. Do you agree that a GDP envelope would provide the most effective fiscal remit for the commission?
8. Do you agree that a transparency requirement should be placed on the commission with regard to its economic remit?
9. Do you think that any additional constraints are necessary to deliver the commission's anticipated benefits to consumers?
10. Do you agree that the remit should be set by a letter from the Chancellor, on behalf of the government?
11. Do you agree that the commission's working assumption should be to only review those areas of infrastructure that are the responsibility of the UK government?
12. Do you agree that the decision of whether to accept or reject the commission's recommendations should rest with the responsible government?
13. Should departments be obliged to accede to the commission's requests for analysis?
14. Do you agree that the legislation used to create the commission should place obligations on the relevant regulators and public bodies to share information with the commission?
15. Should legislation also place obligations on the relevant regulators and public bodies to provide analysis for the commission?
16. Do you agree that the government should specify a timetable to review or replace a National Policy Statement when endorsing recommendations?
17. Do you agree that, while additional consultation may be necessary, consultation undertaken by the commission should not be repeated by the Secretary of State when preparing a National Policy Statement?

So there is much at stake still, including what happens if the Government of the day doesn't accept the recommendations of the commission, and the possibility that the evidence base for a rejected recommendation "may still be a material consideration for decision or policy making purposes".

INDUSTRY CONSULTATION

In addition to the above consultations, in late January 2016, the UK Institution of Civil Engineers launched its National Needs Assessment project, to "provide a cross-sector assessment of the UK's national economic infrastructure – energy, transport, communications, water, waste and flooding - needs to 2050 and identify options for how they can be met."

That industry body has set out its vision as being that "The UK will invest efficiently, affordably and sustainably in the provision of infrastructure assets and services to drive the economic growth necessary to enhance the UK's position in the global economy, support a high quality of life and shift towards a low carbon future." and also they have issued a call for evidence, the outputs of which it then intends to feed into the commission.

The ICE's questions are (on which it proposed to report by October 2016):

1. Do you agree with our proposed vision and outcomes? What amendments would you propose?
2. What will be the main drivers of demand for UK national economic infrastructure over the next 35 years that we should consider in our assessment?
3. What will be the main constraints on the UK's ability to provide sufficient UK national economic infrastructure assets and services over the period and what solutions or mitigations of those constraints should the UK adopt?
4. What nationally significant investments in capacity or changes in policy & regulation should we prioritise to deliver these outcomes and deal with these drivers of demand?
5. In what areas can demand management or other forms of behavioural change make a significant impact? What are the blockers and enablers for realising these opportunities?
6. How can greater cross-sectoral decision making be encouraged?
7. What opportunities and challenges are presented by devolution of infrastructure decision making?
8. What new and emerging technologies and disruptive trends should we consider in producing this assessment?
9. How can we improve public engagement in infrastructure decision-making?

AND ANOTHER NEW BODY

And finally, in the context of the continuing rise of the UK star that is infrastructure, the UK Government saw fit to give us all another new acronym to kick off the new year – on 1 January 2016 we got the 'IPA' (Infrastructure and Projects Authority), bringing together two existing bodies, Infrastructure UK (IUK) and the Major Projects Authority (MPA).

The IPA's initial scope is to bring together "under one roof for the first time, financing, delivery and assurance of projects. These range from large scale infrastructure projects such as Crossrail and the Thames Tideway Tunnel to major transformation programmes such as Universal Credit." It will be interesting to see how the IPA and the new commission mesh together.

So, with all this activity, watch this space...

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