

# **Submission by the Civil Engineering Contractors Association (CECA) Wales to the National Assembly's Economy, Infrastructure and Skills Committee**

**Thursday 17 November**

**09:30 until 10.30**

## **To discuss the Welsh Government's plans to establish a National Infrastructure Commission for Wales.**

CECA Wales responses to the following issues:

### **1. What the role, remit and objectives of the Commission should be:**

- The role of the Commission should, initially, be to provide independent and evidence based recommendations on infrastructure and related matters to meet the economic, social and environmental ambitions of Wales and the Welsh Government within the context of UK, European and global economic conditions. However, consideration should be given to the Commission developing delivery and investment functions as is the case in other nations.
- Whilst the Commission could initially be established as a non-statutory body (to enable its rapid establishment) it should move quickly to a statutory footing to ensure that its recommendations carry sufficient weight and credibility.
- Strategically its remit should encompass all forms of new infrastructure including social infrastructure such as housing, schools and hospitals. The integration of social infrastructure with transport, for instance, is absolutely essential given the obvious inter-dependencies and the need for connectivity between places of working and living. Operationally consideration should be given to extending its remit to delivery and investment functions either directly, on a commissioning basis or through formal partnerships with others e.g. Welsh Development Bank.
- The objectives of the Commission should be to :
  - Provide independent advice, guidance and recommendations to the Welsh Government on all matters relating to infrastructure including how best to finance and deliver infrastructure programmes;
  - Develop a long-term programme (15-20 years) of prioritised infrastructure projects aligned to the economic ambitions of the nation;
  - Develop an investment strategy to support delivery of the programme;
  - Develop a skills strategy to support delivery of the programme.

**2. How the Commission should operate, and what methodologies it should adopt for conducting its work:**

- The Commission should operate via a Board of Directors and a small Executive team;
- The strategic direction and governance of the Commission should be provided by the Board of Directors;
- Operational delivery should be managed by a small Executive team of experts commissioning specific pieces of work via appropriate suppliers – although this could increase as the remit of the Commission changes;
- Its initial focus should be on understanding the economic ambitions of the Welsh Government within the context of UK, European and global economic environments and setting out, in broad terms, the infrastructure needed to deliver these ambitions;
- The Commission needs to develop a strong evidence base to inform its decisions;
- It should liaise closely with a wide range of stakeholders across Wales and ensure alignment with other UK infrastructure proposals.

**3. How the Commission should be governed and funded to ensure its independence from the Welsh Government:**

- The Commission should operate as an “arms-length” body, independent of the Welsh Government, with a Board of Directors, selected via public appointment, with specific areas of expertise;
- It should not be administered by Welsh Government officers but, rather, by a small team of experienced staff to deliver/commission specific pieces of work in support of its objectives;
- It should be funded by the Welsh Government and have a budget which will allow it to commission specific areas of work;
- It should reflect Wales’ diverse communities and should operate/meet across the whole of Wales.

**4. Examples of UK and international best practice that the Commission could learn from:**

- UK Government National Infrastructure Commission;
- Scottish Futures;
- National Development Agency Ireland;
- Infrastructure Australia.

**5. How the work of the Commission should incorporate the principles of the Well-being of Future Generations (Wales) Act 2015:**

- The process of embedding the principles of the WFG Act 2015 in Welsh life is at a very early stage;
- The Commission should ensure that all of its outputs consider and report issues against each of the principles so that any justification can be formally considered by stakeholders and other interested parties;
- The Future Generations Commissioner should be a formal consultee to the Commission.

**6. How and to what extent the work of the Commission should influence Welsh Government decision making and prioritisation of infrastructure projects:**

- If the Commission is to have any value and credibility the outputs of its work (eg recommendations) should be implemented in all cases unless specific consideration is given by Welsh Government Ministers to disregard or amend the proposals. In any instance where the work of the Commission is not implemented a formal report should be presented outlining the reasons why proposals are not progressed;
- Responsibility for the development of an investment strategy to support any proposals is essential if the Commission is to have any credibility and accountability. This should not be limited by a prescribed envelope of funding set by the Welsh Government – particularly as the Commission should also be considering the impacts and benefits of non-devolved and private sector infrastructure projects;
- Recommendations made by the Commission on infrastructure related issues such as future workforce skills should be considered by the appropriate Minister and treated as for direct infrastructure issues.

**7. How the work of the Commission should interact with regional infrastructure priorities and City/Growth Deals:**

- Given the obvious economic interdependencies and infrastructure connections within the different regions of Wales there needs to be a continuous dialogue between the Commission and the various regional/city bodies to ensure alignment of objectives and priorities and investment;
- NICW should be able to examine regional infrastructure proposals from a broader Welsh perspective to confirm alignment and to identify potential opportunities, impacts and risks for the Welsh economy (similar to Infrastructure Australia).

**8. What relationship the Commission should have with the UK Government's Commission on cross-border issues and infrastructure in areas that are partially devolved:**

- Given the obvious economic interdependencies and infrastructure connections between Wales and the remainder of the UK there needs to be a continuous dialogue between both Commissions;
- NICW should be able to examine UK infrastructure proposals from a Welsh perspective to identify opportunities, impacts and risks for the Welsh economy;
- Similarly, there should be opportunities for the UK NIC to scrutinise and challenge any proposals put forward by NICW to ensure that all proposals are fully debated and to ensure alignment.

**Submission by :**

**Ed Evans, Director, Civil Engineering Contractors Association (CECA) Wales**

**3<sup>rd</sup> November 2016**