

Debate Pack

28 April 2023

Number CDP-2023-0096

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Funding for major infrastructure projects

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Summary

There will be a Westminster Hall debate on funding for major infrastructure projects on Wednesday 3 May at 2:30pm. The debate will be opened by Wera Hobhouse MP

1 Background

1.1 What is infrastructure?

The Economist calls infrastructure the “The plumbing of the economy. Roads, railways, airports and container ports are all vital for an economy’s operation.”¹

The National Infrastructure Commission (see section [1.4](#)) defines economic infrastructure as energy, transport, water and wastewater (drainage and sewerage), waste, flood risk management and digital communications.²

The government also includes social infrastructure such as schools, hospitals and housing in some infrastructure policies and publications.

Infrastructure plays a crucial role in a country’s economic welfare. For instance, a reliable source of energy allows companies to function more efficiently; a transport network enables producers to move goods to consumers; and the provision of schools provides the foundation for more highly-skilled workers of the future.³

Better quality infrastructure allows an economy to be more efficient, improving its productivity, and raising its long-term growth rate and living standards.

1.2 Investment in infrastructure

Sources of investment

There are three ways in which infrastructure projects can be funded:

- **Public funding:** projects are funded by the government and wider public sector. The High Speed 2 railway will be funded publicly.
- **Private funding:** projects are funded by private companies who plan to recoup and earn a return on their initial investment via customer bills or charges over several years. Heathrow Terminal 5 was entirely funded by private investment.

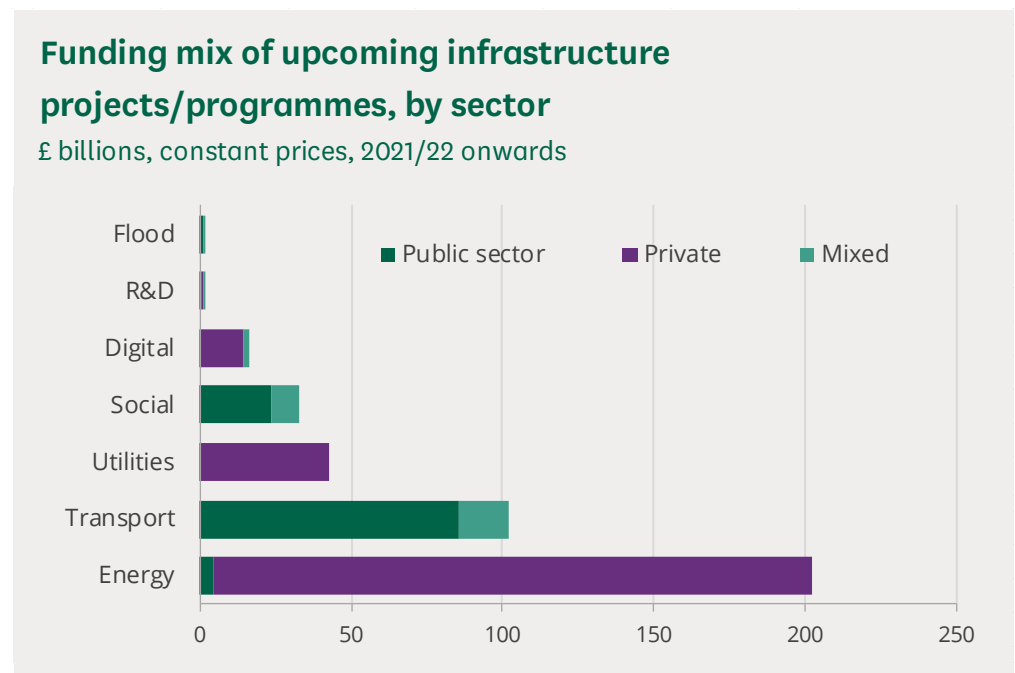
¹ The Economist. [Essential Economics](#), [accessed on 28 April 2023]

² National Infrastructure Commission, [What we do](#) [accessed on 28 April 2023]

³ For more on the potential benefits of investment in infrastructure see, for example, White House Council of Economic Advisors, [The 2016 Economic Report of the President](#), February 2016, Chapter 6 and Abdul Abiad, Davide Furceri and LSE growth commission, [Investing for Prosperity: Skills, Infrastructure and Innovation](#), October 2013, Chapter IV

- **Mixed public/private funding:** funding is drawn from both the public and private sector. Network Rail maintains and develops the railway infrastructure using Government grants, government-backed borrowing and private sector funding drawn from charges levied on train operators.

The Treasury’s [Infrastructure and Construction Pipeline](#) can be used to analyse the funding sources for upcoming infrastructure projects. The following chart shows the ‘funding mix’ in each infrastructure sector for all projects planned for 2021/22-2024/25. It considers the funding for each individual project or programme and groups them by sector.



Source: HM Treasury, [National Infrastructure and Construction Pipeline 2021](#), September 2021

The proposed projects in the pipeline for 2021/22-2024/25 are 38% funded by the public sector, 49% funded by the private sector and 13% funded from a private/public mix. These proportions change if we add investment from 2025/26 onwards, largely due to significant investment in electricity generation by the private sector.⁴

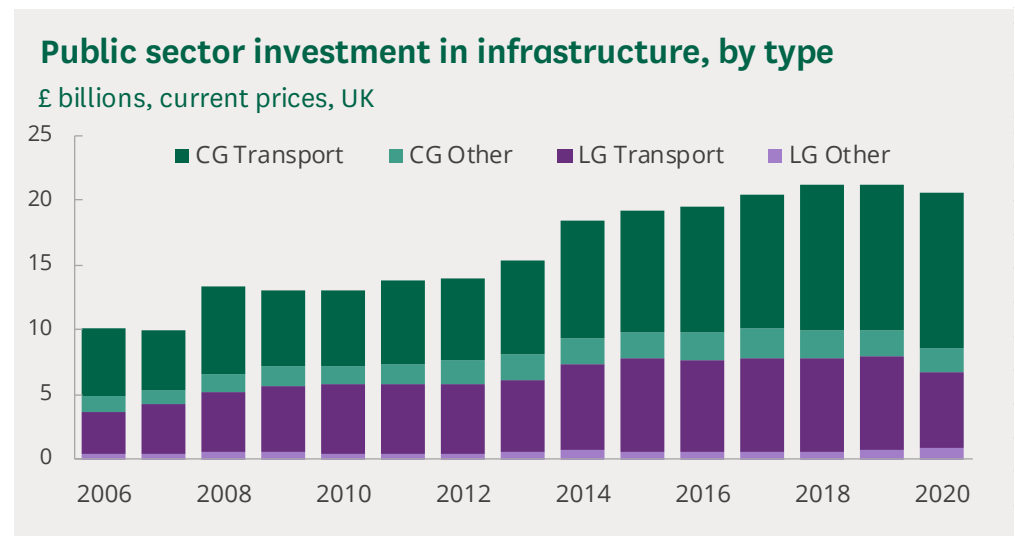
As the chart above shows, projects in the energy and utilities sectors are almost entirely privately funded (reflecting the ownership and management of assets in these industries). The opposite is true of projects in the transport and social sectors.

⁴ Private sector funding makes up around 64% of investment, if we look at projects planned for both before and after 2025/26. 29% of funding is from the public sector over this longer period.

Public investment in infrastructure

The Office of National Statistics (ONS) produces data that show public sector investment in economic infrastructure from 2006 to 2020.^{5,6} Over the period, most public sector investment in infrastructure has come from central government. Over 85% of public sector investment in infrastructure has been spent on transport.

The public sector invested £20.6 billion in infrastructure in 2020, with almost 32% coming from local government and the remainder coming from central government. In 2020, 86% of central government infrastructure investment and 88% of local government investment was in transport infrastructure.



Notes: CG – Central Government; LG – Local Government

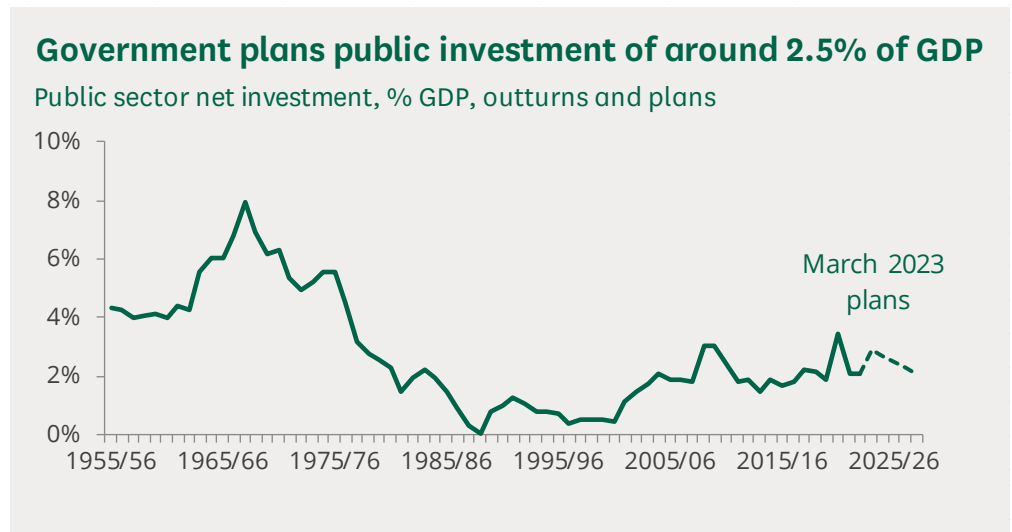
Source: ONS, [Infrastructure in the UK, investment and net stocks: May 2022](#)

Another frequently used measure is [Public Sector Net Investment](#) (PSNI), but this also includes investment on several things that are not normally considered ‘infrastructure’, such as NHS and defence equipment and computers. In 2022/23, PSNI totalled £52 billion, 2.1% of GDP.⁷

⁵ ONS, [Infrastructure in the UK, investment and net stocks: May 2022](#), 5 May 2022

⁶ The data are based on analysis of central government spending figures and local government financial returns. The ONS focus predominantly on narrowly defined economic infrastructure, namely transport, energy, water and waste handling assets, digital communications, mining and quarrying, and “other” (which includes all assets not in these categories).

⁷ OBR, [Public finances databank – February 2023 \(FFO edition\)](#) (accessed on 15 March 2023)



Sources: OBR, [Public finances databank – February 2023 \(EFO edition\)](#); ONS, [Public sector finances, UK: March 2023](#)

Increasing government investment

The Government plans for public sector net investment to average around 2.5% of GDP between 2023/24 and 2027/28. Public sector net investment hasn't averaged 2.5% of GDP since the late 1970s, when there were more publicly owned industries than now. Such industries required capital investment. The Government was planning to spend more after 2024/25, but its plans were scaled back in Autumn Statement 2022.⁸

Public sector net investment jumped to over 4% of GDP in 2020/21. This jump isn't associated with an increase in infrastructure spending; it is largely a result of the spending associated with government guaranteed loan schemes (such as the Bounce Back Loan Scheme) which were made available during the coronavirus pandemic.⁹ The expected cost to government of defaults on these loans counts as public investment in the year the loans are made, which is 2020/21.

Private sector investment in infrastructure

Private sector investment in infrastructure was £11.8 billion in 2020 (this excludes investment in mining and quarrying). The majority was investment in energy.

⁸ A summary of the change is available from Resolution Foundation's Help today, squeeze tomorrow: Putting the 2022 Autumn Statement in context ([pages 35-36 \(PDF\)](#))

⁹ The Commons Library briefing [Coronavirus: Business loans schemes](#) has more information about the various schemes.

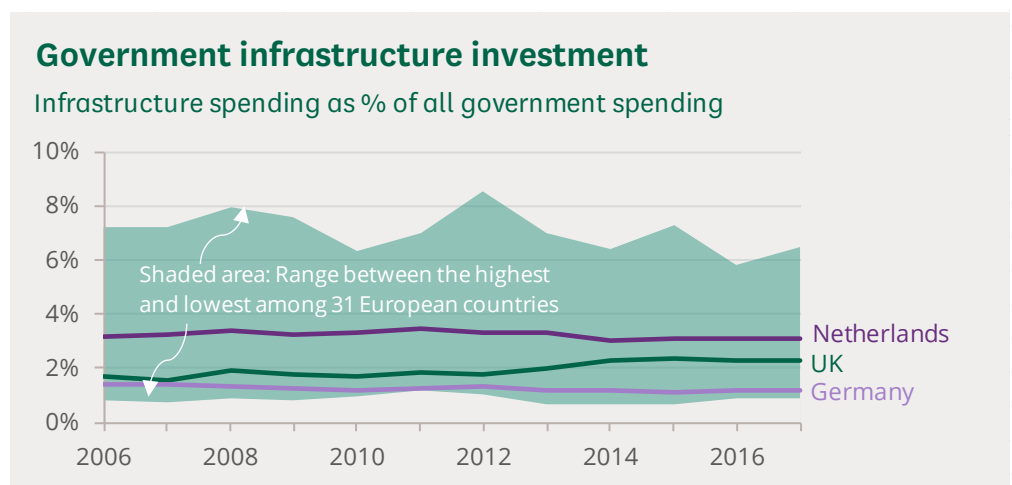
Private sector infrastructure investment, 2020		
	£ billion	%
Energy	6.4	54%
Water supply	2.2	19%
Other	1.8	15%
Telecommunications	0.9	8%
Sewage/waste	0.2	2%
Transport	0.3	2%
Total	11.8	100%

Source: ONS, [Infrastructure in the UK, investment and net stocks: May 2022](#)

International comparisons of infrastructure investment

Government infrastructure spending

UK government infrastructure spending was 2.3% of all government spending in 2017.¹⁰ This was below the level in many European countries, including the Netherlands (3.1%). But it was above many of the other large European countries such as Germany (1.2%), France (1.5%) and Italy (0.9%).¹¹



Source: ONS, [Experimental comparisons of infrastructure across Europe: May 2019](#), 3 May 2019

¹⁰ The ONS' [Experimental comparisons of infrastructure across Europe](#) provides international comparisons

¹¹ ONS, [Experimental comparisons of infrastructure across Europe: May 2019](#), 3 May 2019
Figures are government gross fixed capital formation in infrastructure sectors, as a % of total government spending. Some investment included here is in assets not normally considered infrastructure (for example, computer equipment in the Department for Transport)

Investment spending

The Resolution Foundation, a think-tank focused on living standards of low to middle income groups, compares investment spending across advanced economies in a recent report.¹² The report measures investment spending using gross fixed capital formation, which is broader than infrastructure.^{13 14}

The Resolution Foundation reports that UK total investment spending – including public and private spending – has “been consistently below that of other rich countries for decades”, as a share of the size of the economy.

Government investment spending “averaged just over 2.5 per cent of GDP since the turn of the century”, according to the Resolution Foundation. The OECD average over the same period was 3.7% of GDP.¹⁵

1.3

Government’s role and infrastructure strategy

In the UK, the development and operation of infrastructure is largely the responsibility of the private sector (transport is the exception, which is mainly funded by government). The maintenance of operating and safety standards is the responsibility of the various regulators, which operate independently of government.

However, the UK Government still plays a role in infrastructure in several ways:

- **Providing funding** – the amount of public funding varies widely between sectors and projects.
- **Directing investment** and support towards certain projects that the Government considers valuable for the UK.
- Ensuring the development of coherent **infrastructure “systems”** – long-term frameworks in which individual projects play a role but which require national-level strategic leadership and decisions. For instance, setting out long-term priorities for the regulated sectors;

¹² Resolution Foundation, [Cutting the cuts How the public sector can play its part in ending the UK’s low-investment rut \(PDF\)](#), March 2023

¹³ Resolution Foundation, [Cutting the cuts How the public sector can play its part in ending the UK’s low-investment rut \(PDF\)](#), March 2023

¹⁴ Gross fixed capital formation is an estimate of net capital expenditure by both the public and private sectors. Examples of capital expenditure include spending on plant and machinery, transport equipment, software, new dwellings and other buildings, and major improvements to existing buildings and structures (such as roads) research and development, and military weapons systems.

¹⁵ As above

- **Supporting private investment** through mechanisms that reduce risks and uncertainty for investors.¹⁶

National Infrastructure Strategy

The Government's [National Infrastructure Strategy](#) was published in November 2020.¹⁷ It sets out the Government's plans for delivering "a radical improvement to the quality of the UK's infrastructure...".

The Strategy sets out the Government's ambitions for its own infrastructure investment and its wider role in developing UK infrastructure. The Strategy aims to ensure that the long-term goals for infrastructure investment are brought together with a shorter-term goal of supporting economic recovery from the pandemic.

Below is a summary of the Strategy's key ambitions, including examples of steps the Government is taking to achieve its ambitions.

Levelling-up

Investing in infrastructure is seen as a way to "level up" economic growth and prosperity across the country.¹⁸ Investment will be prioritised for those areas that have received less support in the past. The Strategy's aims for levelling-up include:

- **Leaving no community or business behind.** Projects to achieve this include: £5 billion to support UK-wide gigabit broadband; extending 4G mobile coverage through a Shared Rural Network; £250 million for resilient and secure 5G networks; funding for bus services and cycling infrastructure; £4 billion for a levelling-up fund to invest in local infrastructure; £5 billion by 2027 for protecting against flooding and coastal erosion.
- **Creating regional powerhouses, making cities the engines of growth and revitalising towns.** Projects to achieve this aim include: £4.2 billion of intra-city transport settlements for city regions outside of London; new green growth clusters in traditional industrial areas; introducing freeports;¹⁹ the Towns Fund;²⁰ restoring rail services lost through the Beeching cuts of the 1960s.
- **Connecting the regions and nations of the UK, and creating a united and global Britain.** Projects to achieve this aim include: progressing HS2; investing in strategic roads; carrying out a Union Connectivity Review to identify options to improve transport links across the UK.

¹⁶ "[British infrastructure policy and the gradual return of the state](#)", Oxford Review of Economic Policy, Volume 29, Number 2, 2013, pp. 287–306

¹⁷ HM Treasury, [National Infrastructure Strategy](#), 25 November 2020

¹⁸ HM Government, [Queen's Speech 2019: background briefing notes](#), 19 December 2019, p90

¹⁹ For more, see House of Commons Library Briefing paper [Freeports](#), 14 February, 2023

²⁰ For more, see House of Commons Library debate pack [The Towns Fund](#), January 2021

- **Changing how decisions are made.** Projects to achieve this include: increasing the ability for the UK Government to invest directly in Scotland, Wales and Northern Ireland;²¹ changing the way projects are assessed; expanding English devolution; relocating 22,000 civil servants out of London and the South East by 2030.

Decarbonising and adapting to climate change

The Government is committed to achieving net zero carbon emissions by 2050. The Strategy sets out how the Government will approach infrastructure to meet net zero and climate change commitments. The approach includes:

- working closely with investors, industry and households – for instance, by providing policy and regulatory certainty for investors;
- using public finance to overcome short-term barriers to investment in new technologies;
- using regulation and tax measures to drive competition and open new markets.

Government measures include:

- investing in offshore wind, modern ports and manufacturing infrastructure to expand renewable energy generation;
- up to £525 million to bring forward large scale nuclear and invest in the development of advanced nuclear technologies;
- £1 billion to support carbon capture and storage;
- investing £1.3 billion in charging infrastructure for electric vehicles;
- setting a regulatory environment to promote energy efficiency;
- supporting the roll-out of existing technologies such as heat pumps and development of emerging technologies to help heat decarbonisation;
- investing £5.2 billion by 2027 for flood defence and preventing of coastal erosion.

Supporting private investment

The private sector provides significant investment in infrastructure. The Strategy says that the Government will support and encourage private investment by:

- setting up a UK infrastructure bank (see section 1.5);
- supporting independent economic regulation, such as that operating in the utilities sectors;
- developing new revenue support models to reduce uncertainty for private investors.

²¹ Powers to do so are included in the [UK Internal Market Act 2020](#).

The Government's approach was informed by a review of private investment in infrastructure (the [Infrastructure Finance Review](#)) and a [review of the UK's system of economic regulation](#) by the National Infrastructure Commission.

Accelerating and improving delivery

Much of the Government's reforms in this area come from a government project set up in summer 2020 to "review every part of the infrastructure project life cycle and identify where improvements could be made."²² The reforms cut across four areas:

- reforming infrastructure planning and better environmental regulations, which includes accelerating planning permission by improving the planning system;
- simplifying procurement regulations and modernising the construction sector;
- more effective decision making;
- improving capability and leadership.

Further publications

Subsequent to the National Infrastructure Strategy, the Government has published further details on key areas of infrastructure policy, including:

- [The Net Zero Review final report](#)
- [An industrial decarbonisation strategy](#)
- [A transport decarbonisation plan](#)
- [The Union Connectivity Review](#)
- [The Construction Playbook](#)
- [The Integrated Rail Plan for the North and Midlands](#)
- [The Energy White Paper](#)
- [Transforming Infrastructure Performance 2021](#)
- [An electric vehicle charging infrastructure strategy](#)
- [A heat and buildings strategy](#)
- [A hydrogen strategy](#)

²² HM Treasury. National Infrastructure Strategy, November 2020, [page 78 \(PDF\)](#)

1.4

National Infrastructure Commission

The [National Infrastructure Commission](#) (the Commission) provides the Government with impartial, expert advice on the UK's long-term infrastructure needs.

In each Parliament, the Commission provides a comprehensive report on the UK's infrastructure needs over the next 30 years (called the [National Infrastructure Assessment](#), the first of which was published in July 2018). The Government's [response to the assessment](#) (PDF) was published alongside the [National Infrastructure Strategy](#) in November 2020.

The next assessment will be published in the second half of 2023. [The Commission's Baseline Report](#) sets out the current state of the UK's economic infrastructure and identifies key challenges for the coming decades.

The Commission also [reports on individual infrastructure projects](#) as requested by the Government.

Further information on the Commission can be found in the [Commons Library Briefing Paper on the National Infrastructure Commission](#).

National Infrastructure Assessment

The [first National Infrastructure Assessment](#), published in July 2018, is organised around the following recommendations:

- **Low carbon energy** – making a switch to low-carbon and renewable sources for both the country's power and heating, combined with a move towards electric vehicles, would mean the customer of 2050 would pay the same in real terms for their energy as today;
- **Digital technology** – that the Government devise a National Broadband Plan by Spring 2019, to deliver full fibre connections across the whole of the country, including those in rural areas – this should ensure that the technology is available to 15 million homes and businesses by 2025, 25 million by 2030, and all homes and businesses by 2033;
- **The future for the nation's roads** – that the Government work with councils and private companies to deliver a national network of charging points for electric vehicles and ensures that the impacts of connected and autonomous vehicles are taken into account when planning for the next rail control period and road investment strategy;
- **Encouraging growth of cities** – that Metro Mayors and city leaders develop and implement long-term strategies for transport, employment and housing in their areas, to support economic growth, with new powers and devolved infrastructure budgets. The National Infrastructure Assessment's spending plans include funding for projects including Crossrail 2 in London, and Northern Powerhouse Rail linking the major Northern cities, and recommend a boost in funding for major cities

totalling £43 billion to 2040, with cities given stable five-year budgets, starting in 2021;

- **Tackling floods** – that the Government should put in place a long-term strategy to deliver a nationwide standard of flood resilience by 2050 with funding for flood risk management increasing significantly over the coming decades;
- **Cutting waste** – that new national rules for what can and cannot be recycled be introduced, with restrictions on the hardest-to-recycle plastics, aimed at increasing rates and reducing the amount of plastics going to incinerators. This would also mean that all food waste is separated making it available to create biogas, so it can be used to heat people’s homes and potentially as a transport fuel.²³

1.5

UK Infrastructure Bank

The Government set up the UK Infrastructure Bank to, amongst other things, co-invest alongside the private sector in infrastructure projects. It is a key part of the Government’s National Infrastructure Strategy.²⁴

The Bank was established on an interim basis in June 2021. It was placed on a statutory footing, in March 2023, when [the UK Infrastructure Bank Bill](#) received Royal Assent.²⁵

The National Infrastructure Commission previously recommended that a UK Infrastructure Bank should be established once the UK left the European Investment Bank (EIB).^{26 27}

Objectives and focus

The Bank’s core objectives are to help tackle climate change and support regional and local economic growth. To do this the Bank extends loans, equity financing, and guarantees to fund private sector projects that are consistent with these objectives.

The Bank’s primary focus is on the economic infrastructure sectors covered in the National Infrastructure Strategy, including clean energy, transport,

²³ National Infrastructure Commission, [National Infrastructure Assessment](#), 2018

²⁴ HM Treasury. National Infrastructure Strategy, November 2020, [page 70 \(PDF\)](#); HM Treasury. [Infrastructure Finance Review: Summary of consultation feedback \(PDF\)](#), November 2020; HM Treasury. Response to the National Infrastructure Assessment, November 2020, [paras 1.192-1.195 \(PDF\)](#)

²⁵ UK Parliament, [UK Infrastructure Bank Act 2023](#), 28 March 2023; UK Infrastructure Bank, [Bank established as an enduring institution as key legislation receives Royal Assent](#), 24 March 2023

²⁶ National Infrastructure Commission. National Infrastructure Assessment, Jul 2018, [page 118 \(PDF\)](#)

²⁷ For more on the EIB see House of Commons Library, [The European Investment Bank](#), September 2020

digital, water and waste. Infrastructure is defined, in the legislation, as including nature-based, as well as technological, solutions.

Functions

The Bank's three main activities or functions are:

- providing finance to private sector infrastructure projects using a range of financing tools including debt, equity and guarantees;
- providing loans to local authorities for strategic infrastructure projects;
- acting as a centre of expertise and provide advisory support to local government for infrastructure projects.

The Bank prioritises investments where there is an under-supply of private sector financing. By reducing barriers to investment – such as through making direct equity investments – the Bank aims to attract private capital.

In the public sector, the Bank's focus is on providing loans to local and mayoral authorities for “high value and strategic projects of at least £5 million”.

Since its launch, the Bank has announced 12 deals, investing approximately £1.2 billion and unlocking over £5 billion in private capital and over 4,500 jobs (created and supported).²⁸

1.6 Infrastructure and Projects Authority

The [Infrastructure and Projects Authority \(IPA\)](#) was formed following a merger of the [Major Projects Authority \(MPA\)](#) and [Infrastructure UK](#).²⁹

The IPA reports jointly to the Treasury and Cabinet Office. It combines the functions of project assurance and monitoring from the MPA and the focus on long-term financing from Infrastructure UK.

The IPA reports annually on the status of all major government projects, including infrastructure and major government transformation programmes.³⁰ This is done in the form of a RAG (red, amber, green) report that scores projects on the likelihood of them achieving their aims. A project given a green mark is highly likely to be completed on time and on budget. A

²⁸ UK Infrastructure Bank, [Bank established as an enduring institution as key legislation receives Royal Assent](#), 24 March 2023

²⁹ Cabinet Office, [Government creates new body to help manage and deliver major projects for UK economy](#), 11 November 2015

³⁰ IPA, [Infrastructure and Projects Authority annual report 2022](#), 2022

project given a red mark appears unachievable in the given timescale and budget.

For example, in the IPA's most recent annual report, a green mark was awarded to the Bridgewater barrier, which will provide protection from tidal flooding to the town of Bridgewater and villages downstream. A red mark was awarded to HMRC's single customer account. The Single Customer Account will be the single point through which taxpayers will interact with HMRC online.³¹

³¹ As above, p49, p63

2

Press articles

[Growth has to be built on firmer plans for infrastructure spending](#)

Simon Nixon

The Times, 30 March 2023

[Low government investment has made Britain poorer, says report: UK suffering from state of infrastructure across health, transport and housing sectors, finds Resolution Foundation](#)

Valentina Romei

Financial Times, 30 March 2023

[Warning big infrastructure projects moving too slowly](#)

Jemma Dempsey

BBC, 27 March 2023

[Want to properly plug the UK's north-south divide? Look to Germany: Boosting spending power, increasing public funding for science and tech skills, R&D and infrastructure could work](#)

Larry Elliott

The Guardian, 5 March 2023

[UK infrastructure bank criticised for misdirecting project funding: MPs accuse lender of lacking 'strategic vision' of where to target investment](#)

Gill Plimmer

Financial Times, 25 January 2023

[HS2 delay will discourage British investment, says infrastructure expert: Decision comes at time when US and mainland Europe are pushing forward with green tech spending](#)

Jasper Jolly

The Guardian, 10 March 2023

[The real reason it takes so long to build infrastructure in Britain](#)

The Economist, 7 November 2022

[UK urged to lay out 'clear plan' on new infrastructure projects](#)

Josephine Cumbo

Financial Times, 26 October 2022

[Short-term politics hobbles UK infrastructure projects: From nuclear power plants to reservoirs and railways, Britain is struggling to modernise its energy and transport systems](#)

Andrew Adonis

Financial Times, 15 August 2022

[Britain's infrastructure needs a huge overhaul, but who should pay for it?](#)

Simon Nixon

The Times, 11 August 2022

[UK Infrastructure Bank pledges to make direct equity investments: Chief executive defends using third-party managers while group builds its own expertise](#)

Emma Dunkley and Stephen Morris

Financial Times, 22 June 2022

[How to get infrastructure right: Every country wants to build more bridges, roads and renewable-power grids. It won't be easy](#)

The Economist, 2 January 2021

3 Parliamentary material

3.1 Written questions

[Infrastructure: Environment Protection](#)

UIN 181609 | 19 April 2023

Asked by Bill Esterson

To ask the Secretary of State for Energy Security and Net Zero, whether his Department plans to provide funding for the training of labour for the delivery of (a) low carbon installations and (b) other green infrastructure.

Answered by Graham Stuart | Department for Energy Security and Net Zero

Answered on 25 April 2023

In March 2023, the Department for Energy Security and Net Zero announced an additional £5 million to support low carbon heating training, expected to support around 10,000 training opportunities by March 2025. This is in addition to the £15 million committed to skills in the energy efficiency and low carbon heating sectors since 2020 through the Home Decarbonisation Skills Training Fund, supporting over 16,000 training opportunities for people working in the energy efficiency, retrofit and low carbon heating sectors in England.

The Department for Education is investing an additional £3.8 billion in skills by 2024-25, which includes green infrastructure training programmes.

[UK Infrastructure Bank](#)

UIN 179867 | 14 April 2023

Asked by Abena Oppong-Asare

To ask the Chancellor of the Exchequer, with reference to the paragraph 3.26 of the Office for Budget Responsibility's Economic and fiscal outlook - March 2023, what assessment he has made of the implications for his policies of that report's findings that cumulative UK Infrastructure Bank outlays between 2022-23 and 2025-26 will be 37 per cent lower than the initial estimate.

Andrew Griffith | Treasury

Answered on 19 April 2023

The UK Infrastructure Bank (UKIB) was launched in June 2021 to increase investment into infrastructure and to tackle climate change and support regional and local economic growth across the UK.

In its first Strategic Plan in summer 2022, UKIB set out that, subject to the pipeline of investible projects in each year, it aims to deploy up to £3 billion of debt and equity and £2.5 billion of guarantees a year, committing its initial £22 billion of financial capacity over five to eight years.

To date, UKIB have announced 15 deals in total, investing approximately £1.4 billion and unlocking over £6 billion in private capital and supported over 4,700 jobs.

Climate Change: Infrastructure

UIN 34964 | 12 July 2022

Asked by Rachael Maskell

To ask the Chancellor of the Exchequer, what steps he is taking to invest in infrastructure to mitigate against climate change.

Answered by Alan Mak | Treasury

Answered on 15 July 2022

The Government is fully committed to achieving its net zero emissions targets under the Climate Change Act. The Net Zero Strategy sets out the Government's plans to meet these targets, including on empowering the public and business to make green choices.

The Budget and Spending Review 2021 confirmed that since March 2021 the Government has committed a total of £30bn of domestic investment for the green industrial revolution.

Alongside investment in green infrastructure set out in Spending Review 2021, the Government has also established the UK Infrastructure Bank with £22 billion of financial capacity to invest in infrastructure to help tackle climate change and to support regional and local economic growth across the UK.

Following the publication of the UK's Third Climate Change Risk Assessment earlier this year, the Government is now developing the third National Adaptation Programme, to be laid in Parliament in 2023, which will address the risks facing the UK from climate change. This work is led by the Department for Environment, Food & Rural Affairs in consultation with relevant departments, including HM Treasury.

Infrastructure: Investment

21 June 2022 | UIN 22386

Asked by Stephen Hammond

To ask the Chancellor of the Exchequer, what assessment he has made for the implications of his policies of the Institution of Civil Engineer's recommendation that the National Infrastructure Strategy should be placed on a statutory footing to provide more clarity and guidance on where the UK Infrastructure Bank should focus.

Answered by John Glen | Treasury

Answered on 27 June 2022

The government is committed to the approach to infrastructure that was set out in the National Infrastructure Strategy (NIS) in November 2020. This addresses the long-term issues that have held back investment in and delivery of UK infrastructure, and ensures a coherent cross-sectoral approach to decision-making. Given this clarity, there are no plans to legislate for the NIS.

The Chancellor wrote to the UK Infrastructure Bank (UKIB) on 18th March 2022 to set out his strategic priorities for the Bank. The Chancellor's first non-statutory strategic steer provided further details on the Bank's objectives and scope. This letter has been published and is available on gov.uk. The Bank's first strategic plan was published on 23rd June 2022, and is in line with the NIS and the Chancellor's strategic steer, setting out the Bank's focus and its plans for the next twelve months. The Government is currently legislating to place the UKIB on a statutory footing, in order to complete the Bank's set-up as an operationally independent institution and to enshrine its objectives and activities in law.

Infrastructure: National Policy Statements

6 June 2022 | UIN 13083

Asked by Stephen Hammond

To ask the Secretary of State for Business, Energy and Industrial Strategy, whether his Department has plans to review the potential merits of creating a single National Policy Statement for Infrastructure.

Answered by Lee Rowley | Department for Business, Energy and Industrial Strategy

Answered on 14 June 2022

At present, the Government has no plans to create a single National Policy Statement for Infrastructure. Our strategies for infrastructure investment and performance are set out in the National Infrastructure Strategy (NIS) and Transforming Infrastructure Performance: Roadmap to 2030. The NIS includes ambitious reforms to the planning system for nationally significant infrastructure projects. Proposed infrastructure investments during the next decade are set out in the National Infrastructure and Construction Pipeline 2021, which identifies a pipeline of projects with a value of over £600 billion. The Pipeline is updated on a regular basis.

[Infrastructure: Regional Planning and Development](#)

7 March 2022 | UIN 135465

Asked by Stephen Hammond

To ask the Secretary of State for Levelling Up, Housing and Communities, what the role for infrastructure is in delivering the missions set out in the Levelling Up White Paper.

Neil O'Brien | Department for Levelling Up, Housing and Communities

Answered on 16 March 2022

Infrastructure plays an important role in levelling up. The White Paper provides a clear plan to level up every corner of the UK, underpinned by 12 ambitious missions. These include that by 2030, local public transport connectivity across the country will be significantly closer to the standards of London, with improved services, simpler fares and integrated ticketing

We have announced a comprehensive programme of policies including a commitment to £4.8 billion infrastructure investment in towns across the UK via the Levelling Up Fund. This will invest in infrastructure that improves everyday life across the UK, including regenerating town centres and high streets, upgrading local transport, and investing in cultural and heritage assets.

[Infrastructure: Investment](#)

6 January 2022 | UIN 99034

Asked by Wera Hobhouse

To ask the Chancellor of the Exchequer, what assessment his Department has made of the implications for its policies of the analysis by the Institution of Civil Engineers that improving strategic planning of infrastructure investment would unlock more benefits than the current, siloed sector-by-sector

approach, as outlined in its policy position statement, *Evolving the UK strategic infrastructure planning system post-National Infrastructure Strategy*, published July 2021.

Answered by Helen Whately | Treasury

Answered on 14 January 2022

The government is committed to the approach to infrastructure that was set out in the National Infrastructure Strategy (NIS) in November 2020. This addresses the long-term issues that have held back investment in and delivery of UK infrastructure, and ensures a coherent cross-sectoral approach to decision-making.

As committed to in the NIS, last year the government reviewed the National Infrastructure Commission's (NIC's) role and responsibilities, and the NIC's fiscal remit. As a result of those reviews, at Spending Review 2021 the government updated the NIC's objectives to reflect the government's climate commitments and increased the NIC's fiscal remit. These changes will inform the NIC's Second National Infrastructure Assessment, to be published in 2023, which launched recently with the publication of a baseline report and will set out the NIC's expert independent assessment of the UK's economic infrastructure needs. ICE's policy statement was one of the sources that informed the reviews, and ongoing engagement with industry stakeholders and representative organisations remains central to the government's infrastructure strategy.

3.2

Oral questions

[Transport Infrastructure: Adequacy and Sustainability](#)

19 January 2023 | House of Commons | 726 cc516-17

[Investment in Infrastructure](#)

11 October 2022 | House of Commons | 720 cc6-8

[Infrastructure Investment](#)

6 July 2022 | House of Commons | 717 cc855-857

[New Infrastructure Investment](#)

[Funding for major infrastructure projects](#)

7 September 2021 | House of Commons | 700 cc143-44

[Local Infrastructure Investment](#)

19 April 2021 | House of Commons | 692 cc646-47

3.3 Select Committee reports

[The Creation of the UK Infrastructure Bank](#)

House of Commons Committee of Public Accounts, HC 45, 25 January 2023

3.4 Library briefings

[UK Infrastructure Bank Bill \[HL\] 2022-23](#)

House of Commons Library, 31 January 2023

[National Infrastructure Commission](#)

House of Commons Library, 19 January 2021

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Further reading

[Where's the certainty? 3 takeaways for infrastructure from the 2023 UK Budget](#)

Institution of Civil Engineers (ICE), March 2023

[Cutting the cuts: How the public sector can play its part in ending the UK's low-investment rut](#)

Resolution Foundation, March 2023

[Strategic Plan](#)

UK Infrastructure Bank, June 2022

[Infrastructure and Projects Authority annual report 2022](#)

Infrastructure and Projects Authority, June 2022

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