



CBI Response to Infrastructure Strategy Working Paper

Introduction

The CBI represents 850 members who themselves comprise 1,100 separate registered companies and 150,000 trade association members. Founded 60 years ago and representing some of the biggest names in business, household brands and globally traded corporations that employ people in all sectors and across every region and nation of the UK, the CBI is the voice of business

In January 2025, HM Treasury published a [working paper](#) for the Government's 10-year Infrastructure Strategy with a series of stakeholder questions. This document sets out the CBI's response to those questions and how businesses want to see the strategy provide the necessary confidence and certainty that will drive investment into infrastructure and improve delivery.

The views expressed in this document have been gathered from ongoing engagement with CBI members, including but not limited to the CBI Infrastructure Working Group, Government as a Partner Steering Group, and individual member conversations. The sectors represented include construction, energy, retail, financial services, law, higher education, and manufacturing.

Response to stakeholder questions

1. Are the principles and focus areas of the strategy the right ones to prioritise?

The focus areas of the strategy are correct, particularly the focus on growth. The CBI has publicly welcomed decisions from Government to proceed with long-term infrastructure projects in recent months, including airport expansions at Heathrow, Gatwick, and Luton, as well as greenlighting the Lower Thames Crossing and futureproofing through projects like reservoirs and datacentres. These are decisions that will generate long-term economic growth and have for too long come at the expense of short-term decision making.

To ensure these projects have the desired impact, the Government should pursue reforms to quicken delivery of projects through the NSIP system, particularly in reviewing the bureaucracy burden in the pre-application phase. Businesses welcome the announcement to restrict judicial reviews to just one for major applications, but further measures are required to ensure the NSIP system is not deterring investment. For example, placing timescales on engagement with statutory consultees to ensure disputes are solved in a timely manner.

Recommendation: With NSIP applications now taking an average of over four years¹, reforms should be taken forward in the Planning and Infrastructure Bill to reduce requirements in the pre-application phase.

Business is also clear; it does *not* want the infrastructure strategy to focus on too many things and would instead want to see a strategy that focussed on doing fewer things better. The potential for the 10-year strategy is to bring certainty, confidence and longevity to infrastructure policy is also clear to industry. Therefore, firms would like to see the focus on achieving these principles through a forward-looking digital pipeline and a laser focus on delivery through public milestones.

Recommendation: The most important thing the strategy can do is give a concrete outline of what the Government is publicly committing NISTA to deliver in full over the decade – and with the right pipeline industry can have confidence it will be achieved. The specific points around pipeline are answered in Question 3.

2. Spatial Strategy – which functions of a spatial strategy are most important for you?

A strategic spatial plan could help ensure the infrastructure strategy incorporates other departmental plans and weave together programmes across government. With wider work ongoing such as the *New Towns Programme*, the *Strategic Spatial Plan for Energy* and new *Spatial Development Strategies* cited within the English Devolution White Paper, Government needs to be purposeful in ensuring a national spatial strategy draws these strands together instead of sitting alongside them.

Spatial strategies can concurrently help Government and Mayoral Strategic Authorities in phasing the pipeline of projects across regions. With individual regions hosting several large infrastructure projects, spatial strategies could help drive efficiency where scarce labour is distributed, helping delivery. Without thought given to phasing, within spatial planning, projects will compete regionally for capability, supply chain subcontractors and construction materials, which will be inflationary within projects. Done well, a spatial plan which encourages proactive and public phasing will encourage inward investment.

Recommendation: While a national spatial strategy is beneficial to industry, firms recognise it is a complex task and a helpful addition rather than an immediate necessity. The infrastructure strategy should progress a spatial strategy at an appropriate pace relative to immediate priorities such as delivering the proposed pipeline of projects.

3. Of the types of pipelines – which are the most important features for industry?

As referenced above, businesses consider a well-functioning public pipeline as the most crucial area for the 10-year infrastructure strategy in building confidence through policy.

¹ [NIC-Planning-Study-Final-Report.pdf](#)

Understanding government's scale of ambition over the decade, alongside a detailed tracker of projects and relevant information, is essential to inspire investment.

To support this ambition, the CBI has been engaging with the National Infrastructure Commission on their recommendations around the future pipeline. Businesses in the construction sector have told the CBI that the previous pipeline monitored by the Infrastructure and Projects Authority (IPA) was flawed as it was not detailed enough, nor was it updated frequently enough.

Recommendation: Any pipeline driven by the 10-year infrastructure strategy should rectify this record and be centred on transparency with regular updates to ensure industry has confidence in the direction of travel from NISTA.

Proposals for the 10-year strategy to set out a pipeline with a 5-year funding settlement is realistic. The previous pipeline contained unallocated spending, in areas such as offshore wind, which were mixed with detailed proposals. As such, signposting the funding status of projects in the pipeline would be one step that would be informative and help with transparency.

Of the options laid out in the working paper, the CBI believes a dynamic version of the forward pipeline (Option B) is the favoured option. This forward pipeline should be digital in order to be frequently updated and contain data such as the duration of the spend on projects, the funding status, the project's status in the planning process, likely quarterly start date, and the procurement status.

Recommendation: Government, through the newly formed NISTA, should lead engagement with industry to help identify proceedable schemes and ensure projects listed on the pipeline are those with a genuine proposition of being delivered.

4. How best can the government provide greater certainty for industry? Including the role of the strategy, a pipeline, and departments?

The working paper is correct in its diagnosis of the problems surrounding certainty. Previous governments have failed to set a long-term strategy and ensure delivery. Therefore, infrastructure investment in the UK has developed a 'stop-start' nature, which has disincentivised industry to make long-term investments into things such as the UK's skills base. Today, the UK lacks the depth of skills and capability to build the infrastructure required, often affecting timescale and budgets within project delivery.

Business is clear, that pipeline clarity and transparency is the single most important indication that government is serious about the provision of certainty. While a dynamic version of any pipeline is needed, firms have seen previously that short-term political imperatives can influence projects even at advanced stages, impacting confidence.

It is equally important to note that while confidence and certainty are fundamentals for investment, the UK's wider business operating environment must not be divorced from this

discussion. A pro-investment tax, regulatory and policy regime is central to achieving the scale of private investment required under the NIC's Second Assessment. Recent changes, such as those which increase National Insurance contributions, the UK minimum wage, and Employment Rights Bill, will increase costs for firms delivering UK infrastructure, often on low margins.

5. Do you have views on the early priorities for NISTA to support the delivery of the strategy?

One key area within NISTA's proposed brief, will be the long-term skills strategy for infrastructure delivery. As referenced above, the stop-start nature of infrastructure investment has prevented longer-term skills and capability investment, leading to shortages. This is materialised in both numerical supply and demographics, with construction broadly navigating an ageing workforce and high entry-level training costs in many areas.

Recommendation: The infrastructure strategy must include a multi-year skills and capability plan, developed in partnership with Skills England. Leveraging their expertise in post-16 skills and training, Skills England will offer insights and advise on workforce needs. Building on the Construction Leadership Council's work, this plan will address current and future industry requirements. Businesses are eager to co-design this plan, incorporating industry insights and practical learning to create a responsive skills framework.

The conversation around skills must also be linked to innovation and embrace modern methods of construction. Examples include Design for Manufacture and Assembly (DFMA) an approach which leverages digital technology for engineered products, these are manufactured off site in component form and assembled on site. This innovative approach is more efficient and more productive but means the UK construction sector will need a different set of skills, such as assembly technicians and robotics operatives.

Alongside skills, there is a role for NISTA in convening across Government departments and sharing best practice. Firms have described a varying degree of performance in areas like industrialised design standardisation, with several government departments already achieving good outcomes in their projects, such as the Ministry of Justice's *Alliance Programme* and the Department for Health's *New Hospital Programme*. There is a role for NISTA in removing Government siloes and instilling best practice across departments to increase standardisation and improve project delivery.

Recommendation: Finally, to enable speed in project delivery, NISTA should look to outline from the outset how they will work with industry directly on the criteria and information for project clearance. This will lessen the flow of back-and-forth consultation and ensure infrastructure decisions are being streamlined in line with Government ambition.