



Infrastructure: The Routemap for Growth

Civil Engineering
Contractors Association

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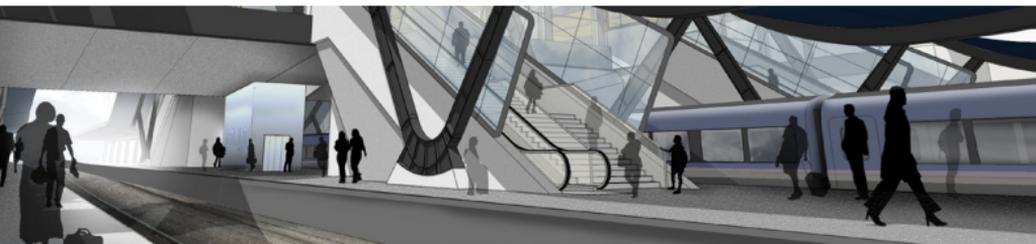
Supporting the Nation:

The Importance of Infrastructure

Good infrastructure is essential for a functioning society and economy. Yet our infrastructure has historically lagged behind other developed economies - the UK was listed 28th in the world for overall infrastructure quality by the World Economic Forum in 2011. Our transport networks are run at or above capacity while demand for energy soon looks set to outstrip supply. There is an urgent need to invest in infrastructure across the whole of the UK.

Such investment has a stronger positive effect on GDP per capita than other forms of spending. For every pound spent on construction, our economy benefits to the tune of £2.84, with even higher returns on infrastructure projects.

Better transport will improve the competitiveness of UK business, while universal superfast broadband will accelerate our information economy. New renewable and nuclear power capacity will help meet our new energy needs and carbon reduction commitments. At the same time upgraded waste and water networks are required to meet the demands of an increasing population.





The UK Government's National Infrastructure Plan, the Scottish Government's Infrastructure Investment Plan, and the Wales Infrastructure Investment Plan, all recognise the importance of infrastructure to the economy and have begun to prepare the ground for long-term investor confidence. But steps must now be taken to ensure these plans are delivered.

£200bn of investment is needed to bring our energy, water, transport, digital communications and waste infrastructure up to date.

Yet, too often this overriding need for new infrastructure is blocked by short-term politics. We need a clear and consistent infrastructure policy that has cross-party support for its implementation.

This booklet, which has been written in close consultation with CECA's members, provides key recommendations to ensure the UK remains an attractive place to do business. Our recommendations will benefit business and the public in the long term and will create sustainable and skilled jobs in the construction sector.



Infrastructure for Growth

The recommendations in the later sections of this booklet are based on our sector-specific work.

At the same time we believe that the following, overarching, recommendations must also be applied:

- **Provide immediate short term funding to boost shovel-ready repair and maintenance activity**
- **Rebalance infrastructure investment throughout the UK**
- **Develop cross-party consensus on nationally-significant infrastructure policy and a long-term delivery programme**
- **Ensure appropriate finance and funding models are in place to meet future investment needs**



Improving the UK's roads

Over 90 per cent of journeys in the UK are made by road, so it is essential that they are invested in and maintained.

Our road network must be safe and sustainable with new roads built when necessary to meet the needs of an increasing, car-dependent population and able to support business growth.

CECA Recommends:

- **Creating a settled long-term strategic roads investment programme**
- **Establish a pro-active maintenance regime for roads based on 'whole life' value**
- **Committing to a firm programme for the nationwide roll-out of ultra-low emission vehicle infrastructure**



Investing in Our Railways

Today, more people in the UK travel by rail than at any point since the 1920s. This means at peak times, there is no space for more trains on the busiest parts of the network. Despite this, demand is still increasing.

Over the next 30 years passenger demand for rail will more than double and freight demand is expected to grow by 140%.

In order to meet passenger demand, provide value for money and meet future expectation, Network Rail, who own and manage our railway network, must work with industry to:

- **Build upon recent improvements in rail procurement to implement collaborative models of delivery across the sector**
- **Use greater visibility of future investment to secure a highly performing, globally competitive rail supply chain**



Keeping the Lights On

The beginning of this century saw increased concerns over the prospect of an energy shortage. Many nuclear and coal power stations are coming to the end of their lives and are likely to be decommissioned after 2017. Substantial investment is needed to replace them. For this reason, CECA recommends:

- **Commitment to a long-term U.K. energy policy which does not deter badly needed investment**
- **Maintained focus on policies to ensure the first new nuclear power stations in England & Wales begin generating electricity from 2020**
- **Close scrutiny of the UK Renewable Energy Roadmap to ensure the 2020 target is met**
- **Effective management of shale gas extraction through the implementation of operational best practice, robustly enforced through regulation**



Making the Most of Every Drop

We expect some of the highest quality water in the world, and an almost endless and safe supply. At the same time we need to protect our homes and businesses from the adverse effects of too much, or too little water.

Our water-intensive lifestyle and other pressures such as climate change and changing land use means we need to adapt for the future.

We need to be able to balance water availability more effectively, moving it from areas of surplus to areas of demand.

CECA recommends:

- **Commissioning of a feasibility study to consider options for bulk transfer of water across the U.K.**
- **Smoothing of investment in the water sector to remove current boom-and-bust cycles**
- **Implementation of uniform site water skills standards**
- **Mandatory sustainable drainage to reduce flooding risk**



Funding Infrastructure Nationwide

The current downturn has not been evenly felt throughout the UK, and for this reason it is vital that infrastructure is boosted equally across the country. But this must be achieved at a time when funding is limited by falling public investment and uncertainty amongst investors. The combination of declining public investment in infrastructure and uncertainty among developers means that funding shortages are becoming the main barrier to project delivery.

CECA recommends:

- **The implementation of a local infrastructure funding model to develop programmes of work rather than delivering projects on an ad-hoc basis, and to share the costs of infrastructure investment among all who benefit**
- **Extending borrowing powers to the Scottish & Welsh governments, including the ability for the Scottish government to issue bonds**
- **Local Enterprise Partnerships in England to be asked to focus more on the delivery of infrastructure to boost growth**



More Effective Procurement

The way that infrastructure is procured in the UK can have a significant impact upon whether it is delivered to the right quality in a timely, cost-effective manner.

CECA has welcomed efforts by governments in England, Scotland and Wales to reform the way that construction is procured, focussing on greater integration and a move away from potentially bidding based solely on price. However, adversarial or wasteful behaviour still exists in part of the industry, and steps must be taken to mitigate these behaviours.

CECA recommends:

- **Funding for public bodies should be linked to their implementation of best practice principles for procurement**
- **Steps should be taken to streamline pre-qualification through the adoption of industry-developed standard questionnaires**
- **Framework contracts should be procured in a way that does not disadvantage some contractors over others**



Skills for Future Infrastructure

CECA members are committed to ensuring that those working in the infrastructure sector have the right skills and knowledge to support the future progression of the industry.

Job sustainability is just as important as reducing unemployment in the short term.

CECA recommends:

- **Provision of full funding for civil engineering apprenticeships at all levels, regardless of age**
- **Increased funding for up-skilling and qualifying the existing workforce to aid retention and enable work in new and emerging markets**
- **Expansion of the pre-apprenticeship model plus wider roll-out of the shared apprenticeship scheme to enable more businesses to train the next generation**
- **Creation of an infrastructure labour and skills demand model to provide accurate intelligence by specialism and locality**



A Safer Industry

Every business has a legal responsibility to provide safe and healthy conditions for its employees, customers, suppliers and anyone else who could be affected by its activities.

Our members strive to be the best when it comes to on-site safety and encourage best practice across the board to reduce accidents by enhancing competence across the workforce; improve health issues by enhancing behavioural solutions; strive for continuous improvement in reducing accidents and improving workers health; and promote a culture of 'zero injury performance' throughout the industry.

CECA recommends:

- **Implementation of the recommendations of the Lord Young and Professor Löfstedt reviews**
- **The formation of an independent body to adjudicate in disputes involving breaches of health and safety legislation**



Infrastructure & the Environment

Environmental protection has been at the heart of policy making for many years. Yet, environmental challenges for the construction industry are quite daunting, not least for smaller contractors.

CECA supports its members to overcome these challenges, and endorses the government's Strategy for Sustainable Construction.

To ensure industry continues to contribute to more sustainable infrastructure CECA recommends:

- **The consolidation of existing environmental legislation**
- **The creation of an oversight body to ensure uniform and appropriate application of environmental legislation**
- **The creation of a legal requirement for construction design to incorporate measures to reduce waste**



About the Civil Engineering Contractors Association

The Civil Engineering Contractors Association (CECA) acts as a conduit between industry and government, working on behalf of infrastructure providers who employ up to 200,000 people in the UK, delivering work worth around £15 billion every year.

CECA is made up of eight autonomous regional companies based across the UK. CECA maintains a close relationship with clients, government and the media to ensure that our members' expertise is shared as widely as possible.

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