

# Delivering Post-Brexit Growth Hull, Leeds (S & E) 162



# Civil Engineering Contractors Association Delivering Post-Brexit Growth

# Introduction

On 8 June the UK will go to the polls to vote in a General Election.

As the main political parties prepare their manifestoes for publication, CECA believes that an incoming Government must continue to strongly make the case for substantial investment in world-class infrastructure to deliver long-term economic growth across the UK.

To this end, we have worked with our members to identify the key priorities that we believe must be addressed to ensure the UK remains an attractive place to live and work.



## Maintain and build upon the existing infrastructure project pipeline

CECA calls on an incoming Government to commit to projects outlined in the National Infrastructure Delivery Plan, most notably HS2, the third runway at Heathrow, the Swansea Bay Tidal Lagoon, new nuclear power generation, and Crossrail 2. Work should also continue to develop projects to add to this pipeline to secure the future of the UK economy, combating congestion and providing energy security.

Any major change to the anticipated pipeline of work will unsettle the markets, which, if unchecked, may discourage long-term investment in UK infrastructure.



#### Deliver the industrial strategy with a construction sector deal

CECA welcomes the recognition by the main political parties that investment in our infrastructure is essential for economic growth. We hope that an incoming Government will continue this approach in order to attract new business to the UK and to support the growth of existing firms.

The implementation of an industrial strategy is vital. Our sector has historically suffered disproportionately when the wider economy slows down and as such we call on Government to create the right conditions now to ensure the UK continues to be a key player in the global market place.

An incoming Government must be bold and facilitate the optimum environment for business and economic growth, with industry driving it forward. A key element of our vision is the establishment of a sector deal for construction, overseen by the Construction Leadership Council.

Construction trade associations have an important role to play in driving forward a potential infrastructure sector deal. In order to drive forward growth, CECA advocates that Government takes steps to facilitate stronger relationships with lead trade associations. The role of these bodies would be to ensure that the views of their entire sector are represented, enabling more strategic working arrangements to be developed.

An incoming Government must work closely with all devolved governments to ensure that the requirements of an industrial strategy are aligned and are complementary across all parts of the UK.



#### Rebalance investment across the UK

CECA believes that substantial underinvestment outside London and the South East is a key cause of every day challenges on regional road and rail networks. This contributes in the long-term to reduced business investment, growth and productivity.

CECA is a keen advocate of rebalancing the economy. All nations and regions must be given the opportunity to become powerhouses in their own right, enabling the whole of the UK to substantially profit from economic and business growth.

To this end, an incoming Government must commit to projects such as the completion of the A303 expressway, improved rail connectivity for the South West region and the acceleration of the 'High Speed North' concept including the A1, A66, and A69 upgrades.



#### Urgent guarantee of the rights of EU workers living in the UK

The construction sector requires 35,740 new workers per year. However, the lead time for skills demand in the infrastructure sector is far shorter than the lead time for skills supply.

As such, it is important that the existing workforce can flex, and where required upskill rapidly, to meet demand. This requires a recognition of the key core skills, with common understanding of training against industry agreed standards.

A key part of this must be the immediate guarantee of the rights of EU construction workers living in the UK to ensure those who are helping to build the future health of the UK economy can continue to do so post-Brexit.



### Protect the pound via public procurement

Infrastructure procurement in the UK has reached crisis point with the public sector procurement process now the most expensive and one of the lengthiest in Europe. This creates unnecessary costs for contractors, their clients and the taxpayer.

CECA believes there is now an opportunity to review the UK's application of EU law and procurement rules in general to deliver a simpler, more efficient and innovative approach.

With both the private and public sectors facing increasing pressures on resources, procurement reform is vital if we are to continue to deliver world-class infrastructure projects and secure UK-wide economic growth.



#### Commitment to remote onshore wind

CECA has long argued that the UK Government must commit to a long-term energy strategy based on a diverse energy mix which does not deter badly needed investment to enable a safe and secure energy supply for economic and social growth.

The UK is facing a substantial energy gap by 2026 where demand for electricity is likely to outpace supply by over 40 per cent.

One of the most notable opportunities lies in future intermittent renewable generation from the remote isles of the UK, including Orkney, the Western Isles and Shetland. However investment valued at up to  $\pounds$ 1.3 billion in the remote isles is currently constrained by a number of factors including connections to the wider grid, and subsidy support.

This investment could benefit Scotland's islands economies by up to £725 million over the next 25 years.

We are therefore calling on Government to reverse the current policy position that remote island wind projects should be treated the same as mainland onshore wind in order to play a key role in driving forward UK economic growth and help meet UK-wide carbon targets.



# About CECA

The **Civil Engineering Contractors Association** is the representative body for companies who work day-to-day to deliver, upgrade, and maintain the country's infrastructure. With more than 300 members CECA represents firms who together carry out an estimated 70-80 per cent of all civil engineering activity in the UK, in the key sectors of transport, energy, communications, waste and water. CECA operates across 8 regions in England, Scotland & Wales:

- CECA Southern
- CECA South West
- CECA Midlands
- CECA Yorkshire & Humberside
- CECA North East
- CECA North WEst
- CECA Wales
- CECA Scotland



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