

CORPORATE PLAN 2017-18 TO 2019-20

CONTENTS

Introduction	3
Review of period from October 2015 to end 2016	3
Corporate Governance	4
Objectives and Business Activity Plan	6

INTRODUCTION

1. The National Infrastructure Commission (NIC) provides the government with impartial, expert advice on major long-term infrastructure challenges. It has been operating in interim form since October 2015 and was established permanently as an Executive Agency of HM Treasury on 24 January 2017.
2. Its relationship with government is set out in a published Charter.¹ This explains that it must carry out its work in accordance with a remit (and terms of reference for specific studies) set by the government, but in all other respects it has complete discretion to determine independently its work programme, methodologies and recommendations, as well as the content of its reports and public statements. A mutually agreed Framework Document provides further details of the NIC's working relationship with government.

REVIEW OF PERIOD FROM OCTOBER 2015 TO END 2016

3. The NIC has delivered a significant programme of work since being established in interim form in October 2015, as set out below:
 - In February and March 2016, the NIC published its first three reports:
 - *High Speed North*, which examined options for inter-city transport infrastructure in the north of England;
 - Smart Power, which considered how to increase flexibility in the energy system, as it moves towards greater use of low-carbon sources of power; and
 - Transport for a World City, which reviewed London's long-term transport infrastructure needs, including the case Crossrail 2.

The recommendations in these reports were accepted by the Government, and funding totalling more than £400m was allocated at Budget 2016 to take them forward.
 - In May 2016, the NIC began a major consultation on the process and methodology for its first National Infrastructure Assessment (NIA). This closed in August 2016, having attracted more than 170 responses, and the response to the consultation was published in October 2016.
 - Alongside the publication of the consultation response, a wide-ranging Call for Evidence was opened to inform the NIA.
 - In November 2016, the interim report of the NIC's study into the Cambridge-Milton Keynes-Oxford growth corridor was published, and over £100m of funding was announced in the Autumn Statement 2016 to implement its recommendations.

¹ www.gov.uk/government/publications/charter-for-the-national-infrastructure-commission

- In December 2016, the NIC published the final report of its study into 5G telecommunications, the recommendations of which will inform the Government's 5G strategy, expected to be published in spring 2017.
- The NIC jointly ran a Call for Ideas with HM Treasury in autumn 2016, seeking proposals for future NIC studies. This led to the announcement as part of Autumn Statement 2016 that the next study would focus on the potential of new technologies to improve infrastructure productivity.
- The Commission has undertaken a substantial programme of stakeholder engagement to inform both its programme of studies and the first National Infrastructure Assessment. This includes sector-based and regional events, and sessions with NGOs and other stakeholder groups, and an international roundtable on best practice in infrastructure planning co-hosted with the OECD.
- Two expert advisory groups – a Technical Panel and an Analytical Panel – have been established to support the Commission's work.
- A Chief Executive has been appointed and a team of 32 staff established to support the Commission, including civil servants from a number of departments and direct recruits and secondees from the private and wider public sectors.
- A Charter and Framework Document have been agreed to set out the NIC's relationship with government and its operational independence, providing the foundations for its permanent status as Executive Agency.

CORPORATE GOVERNANCE

Introduction

4. The NIC was established as an Executive Agency of HM Treasury on 24 January 2017, and it is therefore legally indistinguishable from the latter.
5. The NIC's purpose, and its principal outputs, accountabilities and duties are set out in its published Charter, which safeguards its discretion over its work programme and the independence of its reports and recommendations. The Charter also sets out the balance of responsibility between the government and the NIC. The Framework Document explains the working relationship between the government and the NIC in detail, and a Memorandum of Understanding will be agreed between the Commission and relevant departments to govern its operational interactions with them.

National Infrastructure Commission

6. The current members of the National Infrastructure Commission are:
 - Lord Adonis (Chair)
 - Sir John Armitt (Deputy Chair)
 - Professor Tim Besley
 - Demis Hassabis
 - Lord Heseltine
 - Sadie Morgan
 - Bridget Rosewell

7. The role of the NIC is to provide advice and make independent recommendations to government on national infrastructure priorities. Its objectives are to: (i) support sustainable economic growth across all regions of the UK, (ii) improve competitiveness and (iii) improve quality of life. The NIC's core responsibilities are to produce:
 - a National Infrastructure Assessment once in every Parliament, setting out the NIC's assessment of long-term infrastructure needs with recommendations to the government;
 - specific studies on pressing infrastructure challenges as set by the government taking into account the views of the NIC and stakeholders. These studies will include recommendations to the government; and
 - an annual monitoring report, taking stock of the government's progress in areas where it has committed to taking forward recommendations of the NIC.
8. The NIC carries out its work in line with a remit set by government, but within the context of that remit has sole responsibility for its reports and recommendations.
9. The NIC's operational independence is central to the credibility of its advice and the effective delivery of its responsibilities. To support this, it seeks to perform its duties objectively, transparently and impartially.

Oversight Board

10. An Oversight Board will be established to supervise the NIC's financial management and administrative functions. The role of the Oversight Board will be to ensure the NIC has the staff and support it needs to enable it to provide high quality advice to the government and to provide assurance that effective internal control and risk management systems are in place. An audit and risk committee of the Oversight Board will also be established.
11. The Oversight Board will consist of the Chair of the Commission, a representative of the Treasury, appropriate executive members including the Chief Executive, and non-executive members who may either be Commissioners nominated by the Chair, or external members appointed by the Chair.
12. The Oversight Board's functions relate to the corporate management of the NIC and it has no role in agreeing or reviewing its policy reports or recommendations.
13. The NIC intends that the Oversight Board will be constituted and hold its first meeting by the end of March 2017.

Chief Executive and Senior Management Team

14. The NIC's Chief Executive is responsible for managing the NIC with oversight from the Oversight Board and is Accounting Officer for the agency.
15. The Chief Executive is supported by a Senior Management Team comprising the Chief Economist and Policy and Engagement Director, which provides day-to-day oversight of the NIC staff's activities.

Resources

16. The NIC's budget for 2017-18 will be finalised during the Treasury Group's Business Planning for 2017-18. The amount will be agreed prior to the end of March 2017 at which point a formal delegation letter will be issued.
17. A multi-year financial settlement will be agreed between the NIC and HM Treasury covering the years from [2017-18 to 2019-20]. This will allow the NIC to be confident of its funding and plan across a number of years. Use of these funds will be supervised by the NIC's Oversight Board.

18. The NIC will prepare a detailed financial plan as part of its financial management and governance activities for the coming year. Performance against this plan will be reviewed by the NIC on a monthly basis. Alongside this the NIC will provide Treasury with financial and non-financial information to satisfy reporting requirements, also on a monthly basis.
19. In all its activities, the NIC will operate in line with the principles set out in Managing Public Money and will seek to obtain value for money from its expenditure.

Staffing

20. As at 24 January 2016, the Commission was supported by 32 staff members. This is expected to rise over the course of 2017-18, and then to fall back to c. 30 following the publication of the first National Infrastructure Assessment in spring 2018.
21. The NIC aims to ensure that its staff brings together a range of public and private sector skills and experience, relevant to the specific projects and workstreams it is undertaking. Its current staff comprises direct employees of the NIC, civil servants on loan from a number of relevant departments (including DfT, BEIS and Defra), and secondees from local authorities, regulators and the private sector.
22. The NIC will take account of and contribute to HM Treasury's Workforce Plan in developing and implementing its staffing plans.

OBJECTIVES AND BUSINESS ACTIVITY PLAN

Objectives

23. The objectives of the NIC are to: (i) support sustainable economic growth across all regions of the UK, (ii) improve competitiveness and (iii) improve quality of life. It does this by:
 - assessing national infrastructure needs, carrying out in-depth studies into the UK's most pressing infrastructure challenges, and making recommendations to the government; and
 - monitoring the government's progress in delivering infrastructure projects and programmes recommended by the NIC.

Vision

24. The NIC aims to be the UK's most credible, forward-thinking and influential voice on infrastructure policy and strategy:
 - *Credible*: producing reports and analysis of the highest quality, written in plain English, independent of government and all vested interests, and making clear recommendations based on rigorous evidence; and developing an evidence base which sets a gold standard in its quality and breadth.

- *Forward-thinking*: taking a strategic approach, which links long-term priorities with short-term action and considers infrastructure as a system, not as a collection of silos; maintaining an international perspective and engaging closely with leading edge expertise; and open to new approaches and ideas.
- *Influential*: building broad support for its analysis and recommendations, working across society, government, parliament and industry; producing work which is objective, fair and transparent; looking for deliverable solutions; and following up on recommendations.

Business Activity Plan for fourth quarter 2016-17 and 2017-18

25. The NIC has two business delivery objectives for period to end 2017-18.
26. *Business Delivery Objective 1*: Deliver a programme of work consistent with the NIC's responsibilities under its Charter and remit letter, and agreed by the members of the Commission. The NIC will achieve this by:
 - Delivering the National Infrastructure Assessment Vision and Priorities document by summer 2017, following the process and methodology set out in the recent consultation and response documents and incorporating a broad programme of regional and sectoral engagement.
 - Delivering the final report of the Oxford-Milton Keynes-Cambridge growth corridor study by the 2017 autumn Budget.
 - Delivering the final report of the study into the impact of new technologies on infrastructure productivity by the end of 2017.
 - Delivering the NIC's first annual monitoring report by summer 2017.
 - Completing consultation on the National Infrastructure Assessment Vision and Priorities document and taking forward the broader work programme necessary for completion and publication of the first full National Infrastructure Assessment in the first half of 2018, including the development of performance metrics for infrastructure service quality.
 - Developing a strategy to evaluate stakeholder perceptions of the NIC, including in relation to the achievement of its vision.
27. *Business Delivery Objective 2*: Develop and implement governance and operational arrangements which will enable the NIC to operate as a responsible, effective and transparent Executive Agency, with a strong reputation and profile. The NIC will achieve this by:
 - Establishing an Oversight Board by end March 2017 and working with it to develop and agree appropriate corporate processes.
 - Ensuring that the NIC's staff provides the skills and experience that it needs to carry out its work effectively and maintaining an appropriate blend of civil servants and external secondees.
 - Developing and implementing human resources policies and processes, including in respect of recruitment, learning and development and performance appraisal, to ensure that the NIC continues to benefit from a skilled, highly motivated and professional staff following its transition to an Executive Agency.
 - Delivering a wide-ranging public engagement strategy to ensure that the Commission has access to evidence and views from the full range of relevant stakeholders and to position the Commission as a credible and informed voice in the infrastructure debate, incorporating media activities, public speaking events, social research, workshops and seminars, and stakeholder meetings and visits. This should include developing the NIC's online presence, so that its independent website builds its profile as a key resource on infrastructure policy and strategy.

- Establishing by the end of June 2017 an audit and risk assurance committee of the Oversight Board and developing and agreeing financial reporting and accounting arrangements and appropriate internal controls (including for recruitment and procurement); and ensuring that the NIC is in a position to publish its first annual report (including the audited accounts) after the end of the 2017-18 financial year.
- Agreeing and implementing a quality assurance policy, security policy, business continuity plan and risk management plan with the audit and risk assurance committee by the end of July 2017.
- Agreeing and implementing a transparency and publications policy, which sets expectations for publishing, for example, details of Commission meetings, substantive correspondence and contacts with Parliament and Ministers, registers of interest, records of gifts and hospitality and significant financial transactions, as well as setting out how the NIC will meet its obligations under the Freedom of Information Act and other relevant legislation.
- Developing and implementing appropriate metrics, as agreed with the Treasury, to measure the NIC's financial and non-financial performance.

Objectives for 2018-19 and 2019-20

28. In 2018-19 and 2019-20, the NIC expects that it will be required to deliver the same set of core business delivery objectives as set out above. This will include publishing the first full National Infrastructure Assessment in the first half of 2018, but the subject matter of future NIC studies is not yet known. The NIC will also seek to capture and act upon lessons learnt from both the first National Infrastructure Assessment and its broader ongoing work programme.
29. As the NIC becomes more established as a permanent body, the key areas of focus in further developing and strengthening its corporate processes will be identified and agreed with its Oversight Board.