

ICE response to the CMA's interim report as part of its market study into the supply of railway and public road infrastructure by the civil engineering sector

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About the ICE

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Submission

The ICE welcomes the Competition and Market Authority's (CMA's) focus on the efficiency and effectiveness of the UK's civil engineering sector. Delivering on the government's infrastructure ambitions will require an increase in capital investment to a level which hasn't been seen in the last 75 years. Total capital investment forecast across 8 key sectors between 2025 and 2030 ranges from £700 billion to £900 billion, a 2.1x to 2.7x increase over the previous five years. Some sectors like renewable energy, nuclear, and water could see up to 4x investment compared to the past five years¹.

The government recognised the need for investment and published a £725 billion infrastructure strategy last year. The ICE agrees that the infrastructure sector could be better equipped to respond to the scale of that infrastructure investment. As long-time advocates of the importance of pipeline certainty and strategic infrastructure planning, the ICE supports the CMA's identification that the mutually reinforcing short-termism that has historically characterised the industry is misaligned with asset lifecycles.

We have responded to a selection of the consultation questions provided by the CMA below.

Consultation questions and ICE responses

¹ BCG (2025) [Uplift in Demand, Shortfall in Supply: Can the UK Deliver on Its Infrastructure Investment Ambitions?](#)

Overarching recommendation:

As a general note, the ICE highlights that while it is positive that the CMA has undertaken this work, many of the interim proposed remedies included in the report are covered in the government's Construction Playbook and Professor David Mosey's independent review, 'Constructing the Gold Standard – An Independent Review of Public Sector Construction Frameworks' (CGS), which laid out recommendations for the implementation of the Playbook policies through collaborative frameworks and their use across government.

As identified by the CMA as a remedy option, the ICE has long advocated for mandating the use of the Construction Playbook and CGS for government departments, which can be achieved by converting the current 'comply or explain' requirement to 'comply'². This does not require legislation but simply means making Playbook and CGS compliance a clear requirement for any NISTA project (and programme) business cases.³

This would be a useful step to addressing many of the issues laid out below.

Q2: To what extent do you agree supply chain fragmentation contributes to poor outcomes? Besides pipeline uncertainty, what other factors drive civil engineering firms' preference to use contractors rather than building their in-house capacity?

Tier 1 contractors in the UK have low profit margins, limiting the amount of money they have to invest in new delivery approaches and upskilling; contracting methods are still transactional and not agile enough and would benefit both from a shift to Enterprise Based Delivery Models and greater use of strategic collaborative contracts such as the FAC-1 Framework Alliance Contract, which is endorsed in the Construction Playbook (Playbook page 48) and forms part of the New Engineering Contract suite (NEC). Sector fragmentation further constrains the uptake of new technologies like AI and Building Information Management platforms.

The fragmented nature of the system, while reducing risk for individual firms, creates additional risks and inefficiencies for projects. The more actors there are in the system, the greater assurance costs are likely to be. The current levels of fragmentation restrict alternative business models from being established in the UK⁴.

The 10 Year Infrastructure Strategy (10YIS) could be an opportunity to address this issue, and the inefficiencies it creates, by encouraging more vertical integration in the construction supply chain.⁵ A longer-term strategic relationship will help translate the benefits from larger Tier 1 companies deeper into the supply chain.

For example, in response to the challenge of delivering on the Great Grid Upgrade, National Grid has moved to a system of strategic supply relationships with partners covering multiple years, rather than spot purchasing as has historically been the case⁶. The aim is to develop deeper relationships with a core group of partners able to expand as the programme requires. The commitment and visibility of future work have provided supply chain partners with the confidence to invest, or increase investment, in their training facilities.

A scheme called the Great Grid Partnership brings together National Grid and seven supply chain partners into an enterprise to deliver several major projects. The commercial terms incentivise the members to share both the risks and benefits.

Through its involvement in the industry-led Electricity Networks Sector Growth Plan, National Grid is also working to ensure UK supply chains can scale up and compete with global suppliers. While there will always be some

² Mosey (2021) [Constructing the Gold Standard](#)

³ ICE (2025) [What should NISTA's priorities be?](#)

⁴ National Infrastructure Commission (2024) [Cost drivers of major infrastructure projects in the UK](#)

⁵ ICE (2026) What are the pinch points to delivering on the UK's infrastructure ambitions?

⁶ National Grid (2025) [Building the skills for our energy future: Delivering opportunities for all](#)

dependence on global supply chains, the aim is to ensure the Great Grid Upgrade uses a competitive mix of global and UK domestic suppliers that provides value for money, boosts supply chain security and ensures communities in the UK see the benefits of local investment, allowing supply chain organisations to scale and rely on internal expertise more effectively.

Fora like the Infrastructure Client Group provide a platform for diffusing these approaches throughout the industry and encouraging collaboration.

Q3: Are there specific procurement, policy or regulatory barriers that reduce innovation and/or scaling opportunities in the civil engineering market? What would make the most difference to firms' incentives to innovate, and public authorities' incentive and ability to encourage innovation?

The ICE agrees with the CMA that public authorities should scope more effectively and act more collaboratively with each other to improve the quality of information available to them.

Infrastructure-related policy making across government – and the bodies responsible for delivery – need to be joined-up with clear roles and responsibilities for delivery. While the 10YIS, Modern Industrial Strategy, Infrastructure Pipeline tool and other recent strategies are welcome, the extent to which their delivery is being integrated remains unclear. Innovation and scale have been curtailed by a lack of coordination and certainty for the sector.⁷

For instance, growth sectors identified in the industrial strategy will need the right infrastructure in place to flourish, which in turn depends on decisions about capital investment and an understanding of the interdependencies that exist across sectors. Supply chain capability depends on a range of factors like skills development, materials supply, logistics networks and reducing the cost of energy. In some cases, like skills, there are many initiatives in motion across government and industry many of which may be trying to do similar but slightly different things. They would benefit from leadership that takes an overarching view to identify where there is overlap and joins them up, benefitting the civil engineering market.

On the planning side, the changes introduced by the Planning and Infrastructure Act will need to be accompanied by culture change in the Planning Inspectorate and local and strategic authorities. There is also a need to implement the policy instruments that are already available, and bring together key decision-makers – including ministers – to speed up change⁹. The ICE has previously recommended that the Chief Secretary to the Treasury should permanently retain responsibility for delivery of the 10YIS and future iterations of it as part of their ministerial portfolio¹⁰.

Q4: For what type of projects is there greatest scope for the accuracy of upfront scoping and planning to be improved, to aid delivery on time and on budget? What would help to make upfront scoping and planning more accurate?

There are some asset classes where the UK performs significantly worse than its peers on infrastructure delivery. The National Infrastructure Commission (NIC) has previously found that nuclear power stations, rail electrification and high-speed rail are all asset classes where the UK lags behind¹¹.

Most asset classes would benefit from improved forecasting and scoping.

HS2 has been a high-profile case where sufficient time was not given to assess alternative options, build in flexibility and challenge designs and specifications¹². Nor was due consideration given to how major projects interact with other infrastructure to maximise benefits and minimise disruption. The lessons from this and other major projects should be taken

⁷ ICE (2026) What are the pinch points to delivering on the UK's infrastructure ambitions?

⁹ ICE (2025) [Is the Planning and Infrastructure Bill enough, or just the start?](#)

¹⁰ Ibid

¹¹ National Infrastructure Commission (2024) [Cost drivers of major infrastructure projects in the UK](#)

¹² ICE (2024) [The cancellation of HS2's northern leg – learning lessons](#)

forward to inform future builds. The availability of benchmarking data, and the useability of existing resources on previous projects and international best practice, is, however, an enduring constraint¹³.

In the ICE's 2025 policy paper: *Why do major projects cost so much and take so long?* We recommended that assurance evaluation data should be aggregated and managed by NISTA to inform improved forecasting on major public infrastructure projects¹⁴.

Even where the infrastructure owner or client is able to clearly articulate the vision, requirements and scope of a project, forecasting the time a project will take to deliver, and how much it will cost, is a complex process that can be prone to inaccuracies.

There are key methods and best practice tools which can support better initial time, cost and benefit benchmarking and project delivery. For example, should-cost-modelling is a bottom-up approach to cost estimation. It breaks a project down into its constituent elements then looks at previous projects to understand what each element is likely to cost. These costs are then added up to understand what the whole project 'should cost'. They are put together on a whole-of-life basis and include a set of different scenarios and risks which might impact the delivery of the project.

While should-cost modelling is a vital tool to inform better value and risk-based decisions, it is still not being applied consistently across government infrastructure programmes. As the CMA notes, many public bodies continue to award contracts based on the interpretation of value for money as lowest capital cost, which not only underestimates whole-life value but also perpetuates cost overruns and delivery risk.

Reference class forecasting (RCF) is a separate but related approach. RCF is used to estimate the time a project might take, and how much it might cost based on data from comparable past projects. The wider infrastructure delivery literature has not yet settled on the scale of benefits this approach can deliver. However, with improved public infrastructure provision to underpin it, RCF has a role to play in some settings. This approach aims to correct for optimism and political biases, providing more realistic estimates and a higher likelihood of project success.

Many across the industry support these approaches, but a concern is often expressed that the available data on major projects is underdeveloped and lacks adequate coverage of publicly funded major infrastructure projects.

Much of the data and insights that would support the improvement of forecasting and delivery for major projects already exists in the form of project reviews, assurance assessments and within the wider infrastructure literature on closing the gap between forecasts and outturns. The challenge is that this information isn't adequately centralised, curated or accessible to project teams. To bolster this effort, the ICE recommends that data already collected as part of the project assurance process is aggregated to a central repository to support improved reference class forecasting and other benchmarking activity by client organisations.

Specifically, the extraction of these lessons, and data from Gate 5 Reviews, should be stored in an accessible repository and managed by NISTA. Artificial intelligence-supported search tools could improve the accessibility and usability of these insights for project teams.

Gate 5 Reviews confirm that the benefits set out in a project's business case are being achieved and that the operational service (or facility) is running smoothly and the agreed strategic outcomes are being met.

A first Gate 5 Review will also concentrate on how well arrangements have been set up for the service delivery, the associated contract management and the mechanism for benefits monitoring and delivery. In addition to this, it will focus on programme closure, lessons learnt and planning to transition to business-as-usual operations. Via the Gate Review, evaluators collect important data that supports the comparison of costs on projects to the benefits they deliver. This

¹³ ICE (2025) [Why do major projects take so long and cost so much?](#)

¹⁴ Ibid

information could be used to build out the database of major project delivery data to support improved comparisons and use of forecasting tools.

We note that alongside the development of plans for the Northern Powerhouse Rail project, a review of rail delivery will be undertaken¹⁵. The CMA should ensure that adequate engagement is undertaken to feed in findings from this market study as to not repeat work, and to ensure that an asset class which would benefit from improved forecasting and early planning is improved.

Further clarity on the use and status of the Infrastructure and Project Authority's benchmarking data service tool would be useful. We encourage the CMA to investigate how this tool is being used, if it is, and to recommend its continued use as a tool.

Q5: To what extent do you agree early contractor involvement could be used more effectively, and how can this be facilitated?

The Construction Playbook extends the principle of early contractor involvement by formally engaging the tier 1 contractor alongside the tier 2 and 3 sub-contractors and suppliers in the pre-construction phase to input into the design (including the use of standards for products and interfaces), costing, risk management and structuring of a project or programme. This is termed early supplier involvement (ESI)¹⁶. CGS demonstrates how a multi-project approach to ESI delivers improved value and reduced risks and creates new opportunities and incentives for tier 2/3 supply chain members (Gold Standard recommendations 7 and 13 and Annex 3 case studies 1 -10).

ESI has been recommended for public sector procurement since the 2011 Government Construction Strategy and is a feature of a range of recommended collaborative procurement models. ESI has had widespread success in delivering improved economic, social and environmental value.¹⁷

Resistance to ESI often occurs when advice centres on a single stage, lowest price approach. Public sector framework providers and clients need to ensure that consultants understand and adopt ESI as essential to the systems by which Construction Playbook policies deliver improved value. The Construction Playbook requires that all public works projects should contract for early supply chain involvement. Mandating the use of the Playbook would enable framework providers, clients, managers and suppliers to challenge any advisers and colleagues who are not aware of the problems inherent in a single stage approach¹⁸. Providing further guidance (via the Playbook) on ESI contract forms would be a helpful addition.

Framework participants report successful early work with tier 1 suppliers but offer less evidence of ESI as a means to obtain early contributions from tier 2 and 3 supply chain members, including SMEs. Several tier 1 contractors suggested that tier 2 and 3 supply chain members are 'not yet ready' or are 'not sufficiently mature' to participate in ESI but the CGS case studies and practice notes show not only readiness but major contributions for example roads case studies 3 and 9 (CGS pages 120, 121, 123)¹⁹.

ESI can reach tier 2 and 3 supply chain members through supplier-led 'Supply Chain Collaboration', a system described in CGS (Gold Standard recommendations 7 and 13 and Case Studies 1 to 10) which is designed to improve tier 2 and 3 commitments and contributions by reviewing, improving and potentially aggregating the supply chain relationships created by tier 1 suppliers for framework projects and programmes of work. Employment of early involvement down the supply chain on a more consistent basis would be a useful improvement.

¹⁵ HM Government (2026) [Northern Growth Strategy: Case for change](#)

¹⁶ Mosey (2021) [Constructing the gold standard](#)

¹⁷ Ibid

¹⁸ Ibid

¹⁹ Ibid

Q6: To what extent do you agree that the design and use of procurement frameworks could be improved?

20 major framework providers and over 100 clients, suppliers and advisers contributed to CGS. Collectively they expressed the view that 'Frameworks can and should provide systematic approaches to improving project and programme outcomes, to improving the efficiency of design, construction and asset operation, to improving safety and risk management, and to delivering net zero carbon targets and social value' (CGS pages 11,12).

But, across the public and private sectors, there are a wide variety of frameworks and a lack of clear guidance as to their preferred structure and 'best practice' features. As a result, the potential of frameworks is not always well expressed or well understood and they are not always successful in delivering their aims.

While describing their experience of some Gold Standard framework, contributors identified problems in the design, procurement and management of other frameworks that lead to widespread frustration and that reflect the CMA's own findings, namely:

- The large number of competing frameworks and the lack of objective standards to help clients and industry assess their merits
 - Lack of clarity as to the pipelines of work that are planned or committed to be procured under specific frameworks
 - The use of some frameworks as a shortcut to market, with limited machinery for framework level collaboration and value improvement
 - The cost and waste of creating and responding to onerous and inconsistent selection questionnaires and bespoke framework contracts
 - Complex performance measurement systems that are not used for rewarding excellence, awarding work or sharing improved practices
 - Limited understanding and adoption of digital technologies, MMC, ESI and whole life procurement
 - Limited commitments to strategic delivery of improved social value, net zero carbon targets and other environmental value
 - Poor communication by framework managers, including lack of feedback and lack of shared learning from framework initiatives and project performance.
- (CGS page 14).

CGS contributors also identified wasted cost and time as a result of:

- Speculative frameworks that are not connected to specific pipelines of work
 - Inconsistent and repetitive selection questionnaires
 - Overly complex bid questions that are not directly related to framework programmes
 - Onerous and inconsistent framework contracts
 - Complex performance measurement reports that are not used for value improvement
 - Excessive use of mini-competitions for individual projects
 - Hesitation to use the award of more work as an incentive for excellent performance
- (CGS page 16).

We support the ways that these issues are addressed in the CMA report. We also support the related recommendations in CGS which show how public sector clients and industry can avoid the listed problems at each stage of strategy, procurement, contracting and management so as to ensure that frameworks fulfil their potential 'as a powerful engine-room for implementing Construction Playbook policies that include strategic planning, integrated teams, continuous improvement and the delivery of better, safer, faster and greener project outcomes' (CGS page 2).

Q7: How could open competition be made less resource intensive as a method of procurement?

Open competition using well-structured frameworks drives innovation in supply chains and creates opportunities for scaling in line with the CMA's interim recommendations.

Open competition using well-structured frameworks also provides the foundations for legitimate collaboration across government, public authorities and industry within a more stable and predictable funding environment, which the CMA rightly perceives to be the means to strengthen procurement capability across public bodies.

CGS contributors reported that, 'in addition to client procurement costs, the average bid cost for each major framework is over £247,000 for contractors and over £130,000 for consultants, with a maximum of up to £1 million in each case' (CGS page 15). An integrated framework procurement system using consistent documents and processes will reduce these costs and will ensure that bid expenditure generates value. For these purposes CGS recommends the below:

- Reduce procurement costs, improve value and reduce risks by wider adoption of a standard form Gold Standard framework alliance contract CGS (page 29)
- Avoid wasted procurement costs and improve supplier commitments by ensuring that frameworks offer sustainable pipelines of work (CGS page 41)
- Reduce procurement costs and improve value through the award of longer-term call-off contracts and the incentive of additional work (CGS page 46)
- Reduce procurement costs by consistent and proportionate assessment of economic and financial standing using 'PAS91' or the 'Common Assessment Standard' (CGS page 81).

Q9: What factors are most likely to cause significant risks to be misallocated between the procuring body and supply chain, and within the supply chain? How could this be addressed? and Qu. 12: To what extent do you agree there is excessive risk aversion in public authority decision making? Where risk aversion is too high, what would help move it to more appropriate levels?

Excessive caution by public sector clients leads to inappropriate and costly misallocation of risks. This leads to industry suspicion and to the addition of unnecessary and costly risk premiums which inflate costs. This problem is exacerbated by late payment at any level of the supply chain.

80% of CGS participants say that frameworks need more active risk management (CGS page 73). To address industry concerns regarding costly and unsustainable risk transfer, CGS recommends that framework providers, clients and managers should:

- Implement risk allocation informed by market engagement
- Create and update a shared contractual risk register with suppliers to jointly manage risks at framework level and help eliminate, reduce and mitigate potential risks on framework projects
- Respond efficiently to framework risk events through a framework early warning system and joint decision-making group.
(CGS page 75).

The Gold Standard recommendations address specific Construction Playbook requirements through:

- A contractual system for the efficient sharing of risk information and agreement of risk management actions, enabling 'early risk work focused on achieving project strategic objectives and alignment'
- The use of ESI for 'exploring opportunities to develop solutions that help mitigate risk through joint working before construction commences'
- A contractual structure that connects the framework provider, clients, manager and suppliers through systems for 'sharing of appropriate risk registers and transparent communication on risk allocation with prospective suppliers and the supply chain'
- A multi-party framework level 'joint register with contracted suppliers which is aligned to project and wider outcomes' and which is managed and updated with agreed risk management actions and timescales.
(CGS page 73)

As regards the risks and costs created by late payment CGS recommends that, in order to drive improved value and fair treatment of industry framework providers, clients and managers should create transparent payment and pricing mechanisms for framework projects and programmes of work and for call-off that:

- Maximise cost certainty
- Identify agreed fees, profit and overheads separately from other costs
- Incentivise desired outcomes
- Require clients and suppliers always to pay their supply chain promptly.
(CGS page 79)

Q15 What would be the feasibility and impact of extending multi-year capital funding to public authorities currently operating on year-ahead budgets only?

A recent National Engineering Policy Centre (NEPC) report highlights the ‘tipping point’ facing ageing civil linear infrastructure in the UK. As pressures from climate change, public demand and other factors continue to grow, so does the urgency to ensure that these ageing assets can continue to serve society and economic growth. Maintenance spend is key to addressing this pressing issue²⁰.

But year-ahead budgets for public authorities fail to recognise the importance of proactive investment to address this challenge.

The NEPC note that short-term funding cycles and multiple funding schemes for local road maintenance, for example, have resulted in local authorities having limited flexibility to balance more cost-effective preventative maintenance against short-term reactive work. This contrasts with the five-year cycle associated with funding for the strategic road networks and that used by the water industry²¹.

In terms of feasibility, it is worth noting that public bodies have made similar transitions before. For example, National Highways had its funding mechanism changed in 2015, and now receives a multi-year funding settlement through the Road Investment Strategy. In the Road Investment Strategy 2: 2020–2025 (RIS2), 40% of the total funding (£10.8 billion) went into operations, maintenance, and renewal activities.⁸ Road Investment Strategy 3: 2026–2031 (RIS3) is expected to have an even greater focus on the maintenance and renewal of the existing network²².

And in Price Review 14, Ofwat introduced a total-expenditure (totex) approach to allow water companies more flexibility. A totex approach that is supported by rigorous technical oversight and a culture of infrastructure stewardship offers the potential to allow asset owners to balance demand and to take a better whole-life approach to asset management²³.

As recommended by the NEPC, HM Treasury should lead a cross-government review of how current funding, financing and accounting models and guidance affect decisions on maintenance, renewal and enhancement ahead of the refresh of the 10 Year Infrastructure Strategy in 2027²⁴. This should include a review of whether the separation of capital and operational budgets and associated spending restrictions are appropriate for public authorities so that they can achieve long-term efficient and balanced investment in existing infrastructure.

²⁰ NEPC (2026) [Reviving our ageing infrastructure](#)

²¹ Ibid

²² Department for Transport (2025) [Draft Road Investment Strategy 3](#)

²³ NEPC (2026) [Reviving our ageing infrastructure](#)

²⁴ Ibid

Q16 What information not currently available in published infrastructure pipelines would be most helpful for firms? How would this information change business decisions on resource allocation and/or investment?

A stable pipeline should enable the development of a comprehensive, long-term skills plan, owned by Skills England, building on the positive work already underway, to grow and maintain a workforce aligned with the government's long-term infrastructure objectives²⁵.

Positively, NISTA has signalled its aim that future iterations to facilitate supplementary analysis such as a skills map showing need at a regional and trade level, and more information for investors. The pipeline will help flag hot spots so NISTA can work with other relevant bodies, like Skills England, on how to deliver it²⁶. The ICE would welcome this development.

The pipeline tool would also benefit from an expanded set of departments and public bodies inputting plans into the model.

The government's recently published programme and project delivery data standard is a useful step forward which should improve the data submitted to NISTA. It sets expectations for how programme and project data should be created, defined, and maintained and introduces consistent definitions, formats, and update timelines for core data elements such as milestones, costs, risks, and benefits. But wider reach will be necessary to improve the useability of the tool.

More granular data would also be useful in future iterations of the pipeline, particularly in the energy sector and on projects' routes to market, including procurement approaches and timescales. A RAG assessment of skills availability by sector and geography could also be a positive addition and align the tool well with the government's major project programme reporting structure²⁷.

The success of the pipeline will be in its delivery and longevity. The pipeline tool itself is very useful, with many examples of practical use by industry, but it must remain relevant and up to date. Maintaining industry and investor confidence in the pipeline will also be helped if key people in government, particularly ministers, are heard regularly referring to it as the authoritative source of infrastructure data²⁸.

Q17 How could the commercial and engineering capabilities within procuring authorities be better utilised? What could be done to better support procuring authorities to develop, recruit and retain these specialist skills, expertise and leadership capacity?

At present, commercial and procurement expertise across the civil service is limited. Clients, sponsor departments and those working for them aren't likely to be serial major project deliverers, and the broader Civil Service system can incentivise generalist skillsets, gained by moving roles regularly, in lieu of technical expertise gained over many years in a few positions. The Major Projects Leadership Academy has been a positive development, but does not fully fulfil all training requirements²⁹. The IPA produced many useful toolkits- among them the route map and set-up toolkits, but they need to be better communicated to ensure they are used across government. NISTA can also help the public sector compete with the private sector and be a gateway for the private sector to share its expertise with officials by facilitating career paths and secondments between them, which would also help drive systems thinking³⁰.

In the ICE's major projects paper, we suggest the establishment of a roving delivery body within the civil service.³¹

²⁵ ICE (2026) What are the pinch points to delivering the UK's infrastructure ambitions?

²⁶ ICE (2025) [What's next for the UK's infrastructure pipeline?](#)

²⁷ Ibid

²⁸ Ibid

²⁹ ICE (2025) [Paying for Britain's infrastructure system](#)

³⁰ ICE (2025) [What should NISTA's priorities be?](#)

³¹ ICE (2025) [Why do major projects cost so much and take so long?](#)

A roving delivery team could support departments and client organisations by complementing internal capability. This has been done overseas. In New Zealand, for example, after the Christchurch earthquakes in 2010 and 2011, Ōtākaro, a government company charged with delivering the city's post-earthquake regeneration, was established. After successfully delivering the rebuild, the entity carried over its institutional knowledge and major project delivery expertise as Crown Infrastructure Delivery (CID). This specialist delivery agency helps departments where major project delivery isn't part of their business-as-usual work to deliver infrastructure. Projects have included New Zealand's national library, work for the ministry of education to roll out 44 teaching spaces, and a remediation of the district court in Auckland, New Zealand's biggest city.

To serve this function, the government should establish a centre of delivery expertise as a unit within NISTA, which is able to support public bodies with limited major project delivery expertise, as in the CID example. This unit should engage with sponsor departments, project teams and industry early to scope projects and support their delivery³².

On the engineering capability side, it is worth noting that up front involvement of those with engineering expertise in particular can mean that funding settlements and investment frameworks are informed by best practice, and designed to reflect whole-life value, including the cost of inaction³³.

The ICE awaits the release of the Department for the Environment, Food and Rural Affairs' water white paper. It was positive to see the focus on the need for engineering capability at a governance level in the Cunliffe report which has informed the reform work programme for the sector. The Review recommends the appointment of a chief engineer to the regulators' boards. Where relevant, repeating this across the sector would be a useful step forward³⁴.

Encouraging people, particularly at leadership level, to delay retiring or changing careers, such as by offering more flexible working arrangements or shorter hours, would help retain their knowledge and close the skills gap. For example, experienced, recently retired engineers could be incentivised to lead or advise on projects.³⁵ In the water sector, 23% of water engineers are expected to retire in the next five years, a significant loss of capacity and knowledge.³⁶ Experienced people in the workforce cannot simply be replaced on a like-for-like basis by new entrants. Some groups are particularly likely to 'fall out' of the engineering pipeline, particularly women and ethnic minorities. The average age of women leaving the profession is 43, in contrast to 60 for men.³⁷

Q19: What is preventing widespread adoption of procurement best practice? How could these barriers to adoption be overcome?

The best practice policies set out in the Construction Playbook and CGS are not yet being adopted by all government departments and public bodies because they are seen as optional by reason of the 'comply or explain' standard for adoption. This leads to clients and advisers:

- Missing opportunities to deliver better project outcomes by using Playbook/CGS systems that supported by clients and industry
- Incurring unnecessary costs and delays by reinventing the wheel rather than following clear Playbook/CGS guidance on how to apply proven policy levers.

The ICE has long advocated for mandating the use of the Construction Playbook and CGS for government departments which can be achieved by converting the current 'comply or explain' requirement to 'comply'³⁸. This does not require

³² Ibid

³³ NEPC (2026) [Reviving our ageing infrastructure](#)

³⁴ Independent Water Commission (2025) [Final report](#)

³⁵ Murray McIntosh (2025) [The Water Industry Labour Report](#)

³⁶ Independent Water Commission (2025) [Final Report](#)

³⁷ EngineeringUK (2024) [Call to action to reverse small but worrying spike in women aged 35 to 44 leaving engineering](#)

³⁸ Mosey (2021) [Constructing the Gold Standard](#)

legislation but simply means making Playbook and CGS compliance a clear requirement for any NISTA project/programme business case.³⁹

It may be worth understanding in more detail whether the Cabinet Office is the right place for the Construction Playbook to sit. The CMA may want to explore alternatives – including NISTA – as part of its final report.

Finally, the ICE also supports the CMA's remedy option 9 in table 4.3 of the report and would support mandating the use of the major project set-up toolkit in addition to the broader Playbook.

Conclusion

The ICE welcomes the CMA's interim report as part of its market study. Delivering on upcoming infrastructure investment will require significant scaling and coordination across the civil engineering and wider infrastructure sectors.

The interim report address many of the fragmentation and long-term pipeline certainty challenges that have long constrained the sector's ability to deliver.

As noted, the updating and mandating of the Construction Playbook would be a helpful first step towards addressing many of these issues.

³⁹ ICE (2025) [What should NISTA's priorities be?](#)