

## **Chief Secretary to the Treasury, The Rt Hon David Gauke MP, says the Government is determined to invest in building a prosperous future for this country**

### **Launch of National Needs Assessment**

Good morning, and let me start by thanking the ICE for inviting me here to speak at the launch of what I think is an excellent piece of research.

Because, in a bid for full disclosure, I will admit that I've already been given an advanced copy of the National Needs Assessment.

And what is clear on first reading, is that this is a very impressive, well thought-out and well-evidenced analysis of what our infrastructure needs will be over the next few decades.

It not only takes a long, hard look at the challenges ahead of us – and we've just heard Sir John summarise what some of those key issues are.

But it also suggests, what is I think, a very positive vision of the opportunities ahead of us too.

And a lot of the themes in this report chime very much with our own thinking in Government too...

...Whether that's its focus on looking at our infrastructure needs in the round – not ignoring the interdependencies that exist across different sectors.

...Or the need to exploit the benefits of technology and innovation as we build for the future.

...Or indeed its call to get the balance right between the big, high value investments and all the smaller investments and improvements needed across the country.

And as the Chief Secretary to the Treasury, what I welcome in particular, is the emphasis throughout the report on investing wisely to secure the best returns on our investment...

...The returns that will really help us boost our growth, raise our productivity and enhance our global competitiveness.

So I think everyone across the industry, who has worked so hard to pull this together, should feel really proud of the contribution that they will undoubtedly have made.

### **Going further**

Because I do think this is a prime example of the exceptional quality of research and thinking being done in the UK at the moment around our future infrastructure needs.

We clearly have an enormous wealth of talent in this country – and indeed, in this room. And as a result, we are in a position where we can assess the investment choices before us more effectively than perhaps has ever been the case before. That's well-timed.

Because what we are trying to do in this Government, is to go further when it comes to our infrastructure. Quite simply, we need to invest more in our long-term growth and prosperity.

That was very much a point the Chancellor made a few weeks ago in his recent speech in Birmingham.

And that's a point made again on the very first page of the National Needs Assessment being launched today. We are the world's 5<sup>th</sup> biggest economy. We don't want to be languishing in 24<sup>th</sup> place in the World Economic Forum's Global Competitiveness rankings.

Instead, we want modern infrastructure that:

- ...supports people as they go about their lives.
- ...that makes the UK a great place to do business.
- ...and that shows the world that we really are a global player.

So this is right at the top of my agenda as Chief Secretary to the Treasury. And this is a priority shared right across this Government as we develop an industrial strategy that will secure our growth and prosperity long into the future.

### **Record to Date**

And I have to say, I think we've made a pretty good start already. More than a quarter of a trillion pounds has already been invested since 2010. We're also committed to spending over £100 billion on infrastructure projects by the end of this Parliament. This will go to funding some really essential improvements across the country. From the big, high value projects like HS2. To everything from beefing up our flood defences, improving our electricity networks and rolling out superfast broadband.

We've also been looking at what more we can do to encourage more investment.

And back in 2012, we launched the UK Guarantee Scheme, to help projects raise money from the capital markets by underwriting the debt. This has already made a big difference - helping schemes like the Northern Line Extension, and the Mersey Gateway bridge.

But for me, two of our proudest achievements to date are actually about us establishing the right infrastructure *behind* how we invest in infrastructure.

And so before I hand back to Nick, I do just want to talk briefly about how the National Infrastructure Commission, and the Infrastructure and Projects Authority, are right at the heart of our efforts to improve UK infrastructure.

## **National Infrastructure Commission**

So let me start with the National Infrastructure Commission, which we established just over a year ago to give us the best possible advice on the difficult investment decisions we face.

Because, despite what some people seem to think, there is no magic money tree.

And it's important that when we make critical decisions about how to invest, we do so guided by an impartial assessment of what's in the best interests of this country in the long run.

And what we have now in the National Infrastructure Commission, is a body that won't be influenced by the politics of the current day, but will instead keep its eyes fixed firmly on the future. Now some of you may have seen that that we recently announced that the Commission is going to be an Executive Agency. And I know that there has been some disappointment that it hasn't been placed on a statutory footing. But regardless of its status, I can assure you that this is an organisation that is going to be here for the long term.

It's going to have free rein to recommend whatever it sees fit. And it's going to have a huge influence over our thinking. Because this is an outstanding resource for any Government to have.

The Commission has already given us some really high quality analysis on Crossrail 2, transport in the North and smart power. They've got some more reports coming out this autumn – one on 5G connectivity and one on an Oxford-Cambridge-Milton Keynes corridor.

And most exciting of all, the Commission is working on its very first National Infrastructure Assessment, to be published next year. There have already been some very strong contributions to this.

And none more so than the National Needs Assessment being launched today. This is a fitting gift to the Commission as it celebrates its first birthday this month.

As Nick says, this will no doubt serve as a blueprint for the Commission's own Assessment, which is due next summer.

So the Commission has made a great start and there's a lot more to come.

And I hope Sir John, in your role as the Commission's current deputy chair, you will pass on my congratulations to everyone in the organisation who has helped to make it a success.

## **IPA**

That brings me to the second achievement I mentioned, which is the establishment of the Infrastructure and Projects Authority. Because it's not just about getting the thinking right behind our investment decisions. You can do all the analysis of what offers the best value for money in the world.

But that can count for little if you're way off budget and behind schedule when it comes to actually delivering it. So the IPA is all about making sure we have the tools and expertise to deliver projects to the very highest industry standards.

And since it was formed in January this year, it has already been helping programmes such as HS2, Ebbsfleet Garden City and the Thames Tideway Tunnel, to really make the most of every single pound of taxpayer's money.

## **Conclusion**

So let me close there, because I do want to leave time for some questions. Although if it's a specific question about airports, I might not answer it! But let me finish with three things I can tell you.

And the first is that this really is a Government which is determined to build a prosperous future for this country.

Secondly, I want to assure you that it will be one of my own top priorities as Chief Secretary to make sure we do indeed make sensible choices about how we invest to meet our long-term infrastructure needs.

And lastly, that this assessment, which we're here to launch today, will make an invaluable contribution to the decisions that are ultimately made.

And I'd like to thank, and indeed congratulate, everyone who played a part in it.