

**Cynulliad Cenedlaethol Cymru / National Assembly for Wales**

**Pwyllgor yr Economi, Seilwaith a Sgiliau / Economy, Infrastructure and Skills Committee**

**Comisiwn Seilwaith Cenedlaethol i Gymru / National Infrastructure Commission for Wales**

**Gan/From: CITB Cymru Wales**

CITB Cymru Wales believes the proposed National Infrastructure Commission for Wales (NICW) should:

- Provide certainty around infrastructure projects, including timescales and funding commitments.
- Have a clear and transparent capital budget and seek to maximise capital investment.
- Produce an Infrastructure Skills Plan.
- Ensure construction expertise is involved in the planning and procurement of capital projects.

### **Certainty**

A high degree of uncertainty surrounds many infrastructure projects such as the proposed M4 Relief Road and the Swansea Bay Tidal Lagoon. This makes it difficult for construction firms to plan their recruitment and upskilling approaches. Therefore, CITB Cymru Wales believes the National Infrastructure Commission for Wales should provide clarity and certainty around infrastructure investments.

NICW would do this by producing a long-term pipeline of projects with a clear evidence-base and realistic assumptions on timescales. This should develop the work of the Wales Infrastructure Investment Plan and should be published and updated at regular intervals.

In setting out the remit for NICW, the Cabinet Secretary for Infrastructure (or sponsoring Minister) should publish an annual remit letter setting out key priorities for the body. This could include examination of wider priorities that could benefit from a long-term approach such as investment in home energy efficiency schemes and affordable housing.

### **Budget**

NICW should have a clear and transparent budget for infrastructure investment over a long-term period. In this respect, the recent move to four year capital budget by Welsh Government is a welcome development. NICW should also seek to implement procurement best-practice reflecting the Wales Procurement Policy Statement.

### **Skills**

Training an apprentice in the construction sector typically takes three years and requires significant investment in time and resources from both the employer and the apprentice. NICW

should produce a National Infrastructure Plan for Skills, drawing on Labour Market Intelligence to forecast requirements and avoid gaps in demand. CITB Cymru Wales has the capacity to facilitate this process through our Labour Forecasting Tool which has been deployed in the UK Government's corresponding plan.

- **How the Commission should operate, and what methodologies it should adopt for conducting its work;**

NICW should be an independent body and provide recommendations to Welsh Government on infrastructure priorities for Wales. It should seek to include a broad range of expertise on its board, including construction expertise, in order to provide balanced, independent advice and judgement on Wales' infrastructure needs.

It should also base much of its work on a strong evidence-base. CITB Cymru Wales' Construction Skills Network data, published every six months, provides a strong data set on growth trends in the construction sector and their related skill requirements. This could be used by NICW to inform its recommendations.

- **How the Commission should be governed and funded to ensure its independence from the Welsh Government;**

NICW should have clear governance arrangements that allow for reporting directly into a relevant committee of the National Assembly for Wales. Early dialogue on infrastructure priorities in this way would ensure the evidence-base behind projects is sound and that any issues are identified early, helping to provide certainty.

The remit for NICW should be set out by the Cabinet Secretary for Infrastructure or the equivalent responsible minister as is the case with other bodies at present (such as Careers Wales, Finance Wales etc). The remit letter should include a responsibility for regular consultation with the construction sector.

It should also have a transparent budget based on Welsh Government's recently announced four year capital budget allocation. It should seek to maximise the capital investment based on these funds.

- **Examples of UK and international best practice that the Commission could learn from;**

As mentioned above, the UK Government's National Infrastructure Plan for Skills, produced by the Treasury, provides an interesting approach that could be replicated in Wales. CITB Cymru Wales has significant labour market intelligence that could help forecast the skills requirements of Wales' infrastructure pipeline, including our Labour Forecasting Tool that has recently been deployed in an analysis of the Swansea Bay Tidal Lagoon.

- **How the work of the Commission should incorporate the principles of the Well-being of Future Generations (Wales) Act 2015;**

CITB Cymru Wales believes that the body should seek to implement best-practice in procurement policy, reflecting the Wales Procurement Policy Statement. This should include consideration of the Well-Being of Future Generations (Wales) Act 2015. This is particularly pertinent in relation to Community Benefits policy; with large construction-related capital spend being a significant driver of Community Benefit outcomes.

- **How and to what extent the work of the Commission should influence Welsh Government decision making and prioritisation of infrastructure projects;**

If it is to provide meaningful insight and capacity NICW's recommendations must carry significant weight. We would envisage NICW providing a long-term pipeline of suitable projects through its recommendations to Welsh Government. If Welsh Government were minded not to agree with or fund the recommended projects then there should be a clear onus on them to explain why this is unsuitable.

A similar approach is used for the UK Government's Regulatory Policy Committee (RPC). The RPC provides independent advice and assessment on any new regulations created by the UK Government via a traffic light system. Should the UK Government decide to pursue regulation despite being advised against it by the RPC a full explanation of their reasoning must be published.

- **How the work of the Commission should interact with regional infrastructure priorities and City/Growth Deals; and**

The infrastructure proposals included in the two City Deals and the proposed North Wales Growth Deal could have a significant impact on the Welsh economy. It is therefore crucial that NICW includes an analysis of these proposals in its project pipeline. Where appropriate, public bodies including local authorities should be allowed to commission research and advice from NICW to inform their decision making.

- **What relationship the Commission should have with the UK Government's Commission on cross-border issues and infrastructure in areas that are partially devolved.**

NICW should work closely with the UK Government's Infrastructure Commission on cross-border issues where it is appropriate to do so. It should also draw on the expertise and research of the UK Commission in relation to non-devolved projects in order to inform its own pipeline. For instance, the consenting process for Wylfa Newydd is largely driven by the UK Government; however its skills impact on the North Wales economy will be significant. Therefore, NICW should be factoring the implications and timing of investments such as Wylfa Newydd in to its infrastructure pipeline for Wales, drawing on any work completed by the UK Commission.

**About CITB Cymru Wales**

CITB Cymru Wales is the sector skills council and industry training board for the construction sector in Wales. Through the CITB Cymru Wales Committee and three regional fora, we work in partnership with government, industry, and education providers to maximise opportunities for skills, training and development within the Welsh construction sector, and to provide the right skills, in the right place, at the right time to support economic growth.