



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Sir John Armitt
Windsor House
50 Victoria Street
London
SW1 0TL

7th October 2024

Dear Sir John,

Thank you for your letters congratulating the Chancellor of the Exchequer and me on our appointments.

Infrastructure Strategy

Infrastructure is not just vital for keeping people connected, it is also an important part of achieving our missions for growth and clean energy. Maintaining, improving, and expanding the UK's infrastructure will be crucial to achieving many of the goals that we set out in our manifesto and the Growth Mission that this government has placed at the heart of its commitment to deliver for this country.

The NIC has a strong record over the years of providing recommendations to government on infrastructure needs and holding the government to account on those recommendations. Under your leadership, the NIC has established itself as a well-respected organisation and it will be vital that the government draws on the expertise that the NIC has built up.

The Second National Infrastructure Assessment (NIA2) has provided the government with a well-evidenced, independent analysis and set of recommendations on what is needed over the long-term to ensure the UK is able to grow the economy and meet its Net Zero targets.

The government has committed to delivering a ten-year infrastructure strategy, which we are aiming to publish next spring. This will set out the government's long-term plans for infrastructure in the UK and will include social infrastructure and housing, as well economic infrastructure. The strategy will guide and inform the government's investment plans and provide the private sector with greater certainty and confidence.

I want the NIC to continue providing impartial, expert advice and recommendations to support development of the strategy. The NIA2 will provide the underlying analytical



foundations for this strategy, however, I understand there are gaps and opportunities to further develop this work. I am therefore commissioning the NIC to provide government with updated analysis and recommendations to reflect the government's missions and manifesto priorities, address gaps and build on subsequent work (e.g. on costs of delivery). These recommendations should be focused on policy outcomes over a ten-year period and fully costed for fiscal and economic impacts. My officials will work with you to ensure the scope of this work has maximum value for the ten-year strategy.

I want the NIC to play a pivotal role in co-creating the strategy working with myself, the Infrastructure Inter-Ministerial Group and Growth Mission Boards, and a broad range of external stakeholders. This will involve providing an advisory role as officials develop policy and advise Ministers, helping to establish the core narrative and implementation plan, and jointly leading on stakeholder engagement with industry.

I would also like to thank you for your report on the cost-effective delivery of infrastructure projects. This report sets out many of the challenges that government faces and I agree with your diagnosis that a historical lack of strategic direction and certainty to the supply chain has driven up costs and delayed projects. The ten-year strategy and creation of the National Infrastructure and Service Transformation Authority (NISTA) will play a vital role in tackling these systemic challenges.

National Infrastructure and Service Transformation Authority

In our manifesto, we set out our plan to create NISTA, which will set strategic infrastructure priorities and oversee the design, scope, and delivery of projects.

Bringing together staff from the NIC and IPA to develop the ten-year infrastructure strategy will be a critical first step in setting up NISTA by demonstrating the benefits of joining up your strategic analysis with the IPA's delivery expertise.

As we develop the ten-year infrastructure strategy and create NISTA, it is important that there is strong leadership to provide continuity and support during the transition. Your record guiding the NIC over the past eight years has been exemplary.

I am aware that your appointment is coming to an end in January 2025. I would like to invite you to remain in your role as Chair of the NIC for an additional six months to support the transition of the NIC and to provide expertise and continuity while this happens. The Terms



and Conditions issued to you when you were reappointed still apply. I have attached them at Annex A. Your new end date will be 18 July 2025.

Finally, you have invited me to attend a Commissioners' meeting on 20th November. I would be delighted to accept this invitation. I look forward to discussing how you are contributing to the development of the ten year infrastructure strategy and the transition to NISTA.

I look forward to continuing to work with you over the coming months.

Yours sincerely,

A handwritten signature in black ink that reads 'Darren Jones' in a cursive script.

**RT HON DARREN JONES MP
CHIEF SECRETARY TO THE TREASURY**