

The Rt Hon Jeremy Hunt MP  
Chancellor of the Exchequer  
HM Treasury, 1 Horse Guards Road  
London, SW1A 2HQ

Sent via email

14th November 2022

## Autumn Statement 2022 and The Built Environment Sector

Dear Chancellor,

I am writing to you, as CEO of the Association for Consultancy and Engineering (ACE), in advance of your Autumn Statement on Thursday 17<sup>th</sup> November.

ACE champions infrastructure and the built environment, representing the views of our members, who together, employ over 90,000 staff in the UK and over 500,000 worldwide, contributing more than £15 billion to the UK economy and over £570 billion globally.

These are challenging economic times, with inflation, market adjustments, the war in Ukraine and other global and domestic factors all having a direct impact on our sector. But despite recent political and economic challenges, as well as the longer-term implications of the covid-19 pandemic, this is an exciting time for the sector. Government has already committed to billions of pounds of infrastructure spending, all of which has a huge potential to unlock economic growth.

Our members and the wider industry accept that government will have to make difficult choices and demonstrate fiscal responsibility, but we strongly urge you to maintain funding for capital projects which will grow the productive capacity of UK PLC. Commitment to such projects is needed now more than ever, and businesses responsible for delivering them need certainty in these tough times. Our members undertake their work across the globe, so it's important we ensure the economic environment encourages investment here in the UK. Otherwise, we risk investment being diverted to alternative markets

You will also deliver your statement a day before COP27 comes to an end – this is an important moment, and we will need Government to show global leadership in its ambitions on net zero with an ongoing commitment to the resources required for transition. The Government has taken bold and positive steps since the Committee on Climate Change (CCC) recommended that the UK should achieve net zero by 2050, but now is the time to re-double our efforts following the call for evidence as part of the Skidmore review of net zero and growth. Our members have the delivery capacity to support the Government, but this will require further efforts to unlock global private investment.

The multi-disciplined nature of our members means we will have a close interest on what your statement means for infrastructure across many government departments, including levelling up, transport, and the environment. We ask you to pay consideration to the following points as you finalise your statement:

### Transport

- Deliver on commitments around HS2 and the Integrated Rail Plan, to realise the economic and social benefits of these projects.

- Strengthen financial and practical incentives for innovation, including allowing for demonstrator projects or even pre-project simulations to allow businesses a safe space to test their innovations.

### **Procurement**

- Promote effective implementation of the construction playbook, and early publication of the infrastructure pipeline. This would give companies and industry greater opportunities to plan for the future, particularly on issues around recruitment and retention, as well as individual company budgets.

### **Places**

- Look again at the competitive nature of levelling up funding, but also ensure that existing successful bids are focused on driving up overall skill levels and promoting net zero projects in areas identified as needing to be 'levelled up'.
- Encourage the use of co-investment between public and private sector to grow investment in place-based projects.

### **Climate Change**

- Provide a clear and stable policy platform, alongside funding on innovation which gives companies and industry the confidence it needs to innovate and prioritise resilience and climate mitigation-based solutions.
- Encourage flexible policy measures to give innovators incentives to identify the best way to meet climate objectives, and to avoid locking-in technologies that may become inefficient in future.

On behalf of ACE members, we urge you maintain spending and deliver certainty with infrastructure projects. This is also an opportunity to deliver a safe, innovative, resilient and globally competitive UK built environment sector driving economic growth by delivering well-connected, socially valuable and environmentally sustainable places.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'S Jones', with a stylized flourish at the end.

**Stephen Marcos Jones**  
**Chief Executive Officer**