

ICE Autumn Budget Representation 2026

September 2026

About the ICE

The Institution of Civil Engineers (ICE) is a 95,000-strong global membership organisation with over 200 years of history.

It is a centre of engineering excellence, qualifying engineers and helping them maintain lifelong competence, assuring society that the infrastructure they create is safe, dependable and well designed.

Its network of experts offers trusted, impartial advice to politicians and decision makers on how to build and adapt infrastructure to create a more sustainable world.

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Submission

Key recommendations

- Protect capital investment budgets and maintain delivery of the 10-Year Infrastructure Strategy. Funding for the Defence Investment Plan should complement rather than displace planned infrastructure investment.
- Protect maintenance and renewal funding.
- Commission a review into the economic value of resilience and climate adaptation.
- Fund a roving delivery body unit in NISTA to support departmental major project oversight and delivery and implement the Competition and Markets Authority's recommendation to improve capacity for local infrastructure planning and delivery.
- Use the Budget as an opportunity to engage the public on infrastructure priorities and trade-offs.

Stable and consistent infrastructure investment is required

Successful infrastructure delivery relies on consistent and predictable investment.

Evidence consistently shows infrastructure investment can deliver strong, long-term benefits that significantly exceed the initial cost. The Elizabeth Line, for example, is estimated to have provided a £42bn boost to the economy, a significant return on the £19bn investment. But delivering these benefits requires stability, consistency and a clear direction of travel.

The infrastructure sector welcomed the government's 10 Year Infrastructure Strategy last year. Alongside the Infrastructure Pipeline, it provides a long-term view of £725bn worth of projects and programmes over the

coming decade. But the real achievement of the strategy is its unifying vision. It offers a clear picture of how to plan, prioritise, and deliver infrastructure that policymakers and industry support.

Ensuring the infrastructure required to support growth in every part of the country is delivered relies on the government sticking to the plan and avoiding politically driven stop-start policymaking that ultimately costs the UK and the government in the longer term.

The sector has supported the government's infrastructure ambitions and needs policymakers to stay focused on turning strategy into delivery: executing existing plans, building capacity, and fulfilling planned regulatory reforms.

While fiscal priorities, including the Defence Investment Plan (DIP) and the need to prepare the country for a more challenging geopolitical environment, must be taken seriously, this should not come at the expense of existing infrastructure commitments.

The successful delivery of the DIP itself will require significant infrastructure investment, including upgrades to energy, transport, digital and defence estate assets, creating opportunities to strengthen national resilience, grow capability and support economic activity across the UK.

The government should therefore ensure that funding for the DIP complements rather than displaces planned infrastructure investment. Maintaining commitments set out in the 10-Year Infrastructure Strategy and Infrastructure Pipeline will help provide the capacity, skills and delivery confidence needed to support both the UK's defence objectives and its wider economic ambitions.

Reducing infrastructure investment may provide short-term fiscal savings but is likely to increase long-term costs, reduce productivity growth and delay delivery of the government's economic objectives.

Maintenance and renewal must be protected

Much of the UK's essential infrastructure was built decades ago and many assets need immediate attention to ensure they can continue to support the services on which people and the economy depend. After years of underinvestment, this Budget must prioritise investment in maintenance budgets, and not cut investment when assets need it most.

The National Engineering Policy Centre's report [Reviving our Ageing Infrastructure](#) highlights the 'tipping point' facing 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. Investing now in proactive maintenance offers high value for money – saving £5–£10 for every £1 spent – and safeguards the essential services people rely on.¹²³

Effective management of assets also has potential carbon savings as well as economic ones. Maximising the life of our existing infrastructure is far less carbon intensive than demolishing and replacing it.

¹ Department for Transport. (2024). [Economic appraisal for investing in local highways maintenance](#).

² JBA Risk Management. (2021). [Modelling The Impact of Spending on Defence Maintenance on Flood Losses](#).

³ National Audit Office. (2023). [Resilience to flooding](#).

But maintenance expenditure is often the first area to go as departments face budget pressures. However, evidence consistently shows that deferring maintenance increases whole-life costs and reduces network performance. Protecting maintenance budgets is one of the most cost-effective interventions available to government.

As relevant to this Budget and the UK government's role in ensuring maintenance and renewal is at the forefront of investment, the NEPC, supported by the ICE, recommends:

- Government should use upcoming infrastructure investment to explicitly prioritise the maintenance and renewal of existing assets.
- HM Treasury lead a cross-government review of how current funding, financing and accounting models and guidance affect decisions on maintenance, renewal and enhancement. This would ideally be timed to inform the next update of the 10-Year Infrastructure Strategy.
- NISTA should pilot efforts to drive regional system coordination across ageing economic infrastructure and streamline the regulatory environment.
- An interministerial group on maintenance should be established between HM Treasury, Department for Environment, Food and Rural Affairs (Defra), Department for Transport (DfT), Ministry of Housing, Communities and Local Government (MHCLG) and counterparts in Wales, Scotland, and Northern Ireland to develop a unified national strategy to improve resilience and build a culture of infrastructure stewardship.
- The UK government should work with sector trade bodies and asset owners to develop contracting models that reduce the legal and commercial burdens on innovators and enable successful solutions to be scaled within and across sectors.

Ensuring resilience investment is properly valued

The government has rightly highlighted the devastating impacts of extreme heat, drought and wildfires across the UK in recent months. The heatwave in June 2026 is estimated to have led to 24 million lost hours of working and a £1.15 billion hit to the UK economy.⁴

But despite the growing and visible impact of climate change on people's health and well-being, economic productivity and the natural world, investment to adapt to those changes to manage and minimise their impact remains well below the levels required.

To help close the investment gap and embed adaptation and resilience into government's strategic planning and spending priorities, the ICE recommends the government commission a review of the economic value of climate adaptation and resilience.

This recommendation has been developed via a comprehensive policy programme including wide engagement and interviews with industry, civil service, economists, and other stakeholders.

⁴ Grantham Research Institute on Climate Change and the Environment (2026) [Climate change's heat tax on the UK's labour force and economy](#).

There is wide consensus that infrastructure systems present a large opportunity to create a more climate-resilient future. They are where adaptation value can most clearly be demonstrated because the services resilient infrastructure enables create economy-wide benefits. A review would focus the debate around economic choices and value created to address the systematic undervaluing of climate readiness in investment and regulatory decisions.

Overall ownership for the review should sit with a senior minister with the background, authority and accountability to oversee the review and implement its findings. The Office for the Prime Minister and Cabinet would ensure cross-governmental integration and delivery. The designated lead minister should be supported by a small group of senior officials from relevant government departments, particularly HM Treasury (HMT), Defra, the Department for Transport, the Department for Energy Security and Net Zero and the Ministry of Housing, Communities and Local Government.

The review should adopt a whole-system, cross-sector approach, recognising that infrastructure is an interdependent system of systems. Understanding the interdependencies and the potential for cascading risks between sectors will improve the economic case for adaptation and resilience.

The ICE also recommends that the review examine who owns relevant datasets and what would be required to make them useful for resilience planning. While a lot of data already exists, much of it is fragmented across multiple bodies and there are critical gaps in understanding climate impacts on existing infrastructure assets and the interdependencies between sectors.

The review should also explore innovative methods to assess the value of climate adaptation and resilience. This should draw on existing tools, methodologies and guidance, developed by the Climate Change Committee and others, for valuing adaptation and assessing the cost of inaction. It is also essential that users of the Green Book have the tools and skills to follow the guidance and develop strong business cases for adaptation and resilience investments.

Regulators also have a key role in embedding climate adaptation into infrastructure decisions. The review should examine how well regulators currently value and incentivise adaptation, what role they should play and whether they have the remit, tools and incentives to do so.

The government must seize the opportunity for a more efficient centre

As the government has recognised, funding is only half of the equation. It must be met by strong delivery capability across government to ensure major projects deliver the benefits they set out to.

The ICE welcomes the government's focus on creating a stronger, more strategic centre of government as an engine room for driving economic growth across the country. We also recognise that achieving the government's ambitions will require effective partnership between central government and local leaders.

Through our policy work, the ICE has highlighted the need for improved government infrastructure capability and recommended the establishment of a central delivery unit to support public bodies with limited major project expertise, established as part of NISTA.⁵

Civil service departments and client bodies face a delivery capability challenge. Non-executive directors and senior advisers are a useful aid, but they aren't adequately embedded in or responsible for project success.

⁵ ICE (2025) [Why do major projects take so long and cost so much?](#)

New Zealand's Crown Infrastructure Delivery Ltd. (NZCID) provides a helpful international model, where a delivery body is staffed by senior leaders with major project experience that can supplement in-house expertise.

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.

In addition to the unit's support for government departments, a roving delivery body could also act as a model for providing improved capacity at the local and strategic authority level. The Competition and Markets Authority, in their final report as part of their market study into the supply of railway and public road infrastructure by the civil engineering sector, recommend that the UK, Scottish and Welsh governments ensure that all local authorities have sufficient access to sources of pooled capacity to support their road procurement and contracting activities.⁶ They suggest that governments should evaluate, and report on, demand for and use of pooled capacity on an annual basis, and address gaps identified.

The CMA also uses the NZCID as a model for improved pooling of regional capacity, which could be deployed to ensure authorities can access the specialist advice and support they need and reduce their reliance on external consultancies. This would make more effective use of commercial and technical skills in the public sector, without requiring each authority to develop and maintain the full range of skills in-house.

As the government's devolution agenda and local government reorganisation programmes progress, ensuring strategic and local authorities have the required capability to deliver on their new infrastructure planning and delivery powers will be critical.

This budget should provide initial funding to NISTA to support the establishment of the unit. The government should also support and fund the CMA's recommendation on pooled capacity to support local infrastructure delivery.

Delivering the government's infrastructure ambitions will require effective public engagement

The budget should open a public dialogue about infrastructure priorities and trade-offs in the UK.

It is an opportunity for NISTA and the Chief Secretary to the Treasury (CST) to meaningfully engage the public on the benefits of infrastructure, but also the necessary trade-offs that will inform project and programme prioritisation.

Public trust in government and its ability to deliver will rely not just on the success of major project delivery over the long term, but the narrative about the benefits of infrastructure, and the quality of public engagement that characterises the 'how' of project delivery. CST and NISTA have important roles in facilitating this engagement and communicating a coordinated message that retains the sector's – and the government's – social licence to build.

The ICE is developing a set of recommendations designed to support improved public engagement on infrastructure, in partnership with the Future Governance Forum.

⁶ CMA (2026) [Civil Engineering Market Study Final Report](#)

Set to be published in November this year, these will recognise that better engagement can provide a platform to both speed up the delivery of infrastructure projects and rebuild public trust in the institutions that plan, fund and deliver them. In keeping with the government's devolution agenda, it will also support improved engagement at the regional level, recognising that those closest to community infrastructure needs are often best placed to lead discussion about the value of infrastructure investment in their regions.

Infrastructure delivery depends not only on funding allocations, but also on the sustained public engagement that builds understanding of the benefits of infrastructure and the trade-offs necessary to deliver them. The ICE will engage further with HM Treasury, NISTA and other government stakeholders on this work in the coming months.