Introduction to the BPF

The BPF is the voice of the real estate industry in the UK. We represent organisations with an interest in real estate in the UK – owners, developers, funders (equity and debt), agents and advisers.

Our vision is for a vibrant and successful real estate industry, working in partnership with national and local governments, to deliver:

1. **Economic growth**: real estate represents £1,667bn of UK assets and contributes £95.6bn GVA to the economy each year.

2. **Essential infrastructure**: the boundary between real estate and infrastructure is increasingly meaningless and both are essential. The sector is also intrinsic to the development of social infrastructure, such as hospitals, GP practices and schools.

3. **Great places**: our members make great places for people to live, work and relax. Doing this well can make a huge contribution to building sustainable communities and increasing social cohesion as well as increasing productivity through promoting well-being.

The BPF’s contribution to building the UK’s essential infrastructure – real estate and infrastructure have a symbiotic relationship, and it is crucial that the industry be seen as a part of the UK’s essential infrastructure. The property industry is increasingly required to fund wider infrastructure investment against a background of continued public spending restraint. The industry also has a responsibility to ensure that it invests in resource-efficient, resilient buildings for the future.

The BPF promotes the timely delivery of necessary infrastructure with the financial and practical support of the sector where appropriate.

The National Infrastructure Assessment Call for Evidence – The BPF’s Response

The BPF has examined the key questions provided by the National Infrastructure Commission and will be providing a cross-cutting and general response for the NIA call for evidence with a few references to specific questions. This response will cover how the NIA should address infrastructure prioritisation and how a strategic spatial plan for growth will address the country’s infrastructure needs. The BPF would also add that clarity must be provided in the NIA for how the Commission plans to consider housing and infrastructure together.

The BPF believes that in light of the current infrastructure challenges facing the UK, the extent of infrastructure prioritisation should be reliant on the location of jobs and housing. Balancing the maintenance and repair of existing infrastructure assets against the construction of new infrastructure assets should be done on a case-by-case basis. While there is no doubt that a larger and aging population will require more infrastructure, improving the effectiveness of what is already available is crucial as well.

For BPF members, core infrastructure priorities are those that can facilitate the UK’s need for new houses and provide the population with greater connectivity in relation to their work – roads, rail and statutory...
services. In relation to Q1, the highest value infrastructure investments that would support long-term sustainable growth include improving the resilience and capacity of the power network and the ability of statutory undertakers to manage connections in a timely and effective manner. Other high value investments include the improvement of transport into East and Southeast London in order to bolster interest from residential developers and unlock the poorly connected parts of London. To that end, the BPF would urge the Commission to consider in its NIA that it is necessary to build infrastructure before housing, not the other way round. Despite the difficulty in convincing government to build infrastructure where there is no current demand, doing so would create the certainty required for residential developers to invest in building new homes. This would in turn lead to more infrastructure financing from the private sector. The BPF would also urge the Commission to work with central and local government on establishing clarity in the planning process so that unnecessary delays to the building of infrastructure can be avoided. It should therefore include in its NIA a proposal for simplifying the planning process (Q10).

While effective infrastructure prioritisation is crucial to its delivery over the next 30 years, the NIC should have a strategic spatial plan and vision for growth in the UK at a local and national level. The NIC should engage in conversations with Local Enterprise Partnerships (LEPs) on spatial strategies and should facilitate a co-creation approach to effect change. The Commission’s NIA should therefore include a spatial plan and vision to address the UK’s infrastructure needs. Without such long term plans, we cannot see where the infrastructure priorities lie. Strategic plans would further make infrastructure attractive to institutional investors and take pressure off HM Treasury. While infrastructure support for existing growth is already happening, the NIC needs to look at the other end of the spectrum and provide infrastructure support for places that have the potential for future growth but are not currently doing so. To that end, the Commission should include in its NIA the need for two types of infrastructure support: existing need and future need. In summary, the NIC should include in its NIA a spatial framework for growth in Britain – the NIC must have a visionary role that can demonstrate progression leading up to 2050. This vision and strategy should be the basis for all infrastructure decisions over the next 30 years and this vision can be reviewed during each subsequent NIA in order to remain on course. In doing so, the NIC will be able to quantify its progress and successfully address the country’s infrastructure needs.

The NIC and housing – real estate and infrastructure are increasingly interdependent. Accessible housing supply is inextricably linked with delivering essential infrastructure and the two must be taken together to ensure a holistic approach is adopted to create great places, for urban generation and to create sustainable communities for attracting and retaining talent. While previous consultations by the NIC have addressed that the Commission will look closely at the relationship between the two, the Commission’s remit ultimately does not include housing and cannot be changed without a subsequent remit letter from the Chancellor. In light of this, the BPF would urge the NIC to clarify in its NIA how it plans to look at infrastructure and housing together.