House of Commons

Committee of Public Accounts

Governance and decision-making on major projects

Forty-Fourth Report of Session 2024–25

HC 642

Committee of Public Accounts

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Publication

This Report, together with formal minutes relating to the report, was Ordered by the House of Commons, on 4 September 2025, to be printed. It was published on 10 September 2025 by authority of the House of Commons.

Committee reports are published on the Committee's website at www.parliament.uk/pac and in print by Order of the House.

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Summary

We have seen and reported on many failures in government's delivery of major projects, including some of the biggest, most high-profile projects–which we may call 'mega-projects'–such as High Speed 2 (HS2) and the New Hospitals Programme. HM Treasury (the Treasury) has announced a considerable number of changes in government's approach to major projects which seek to address the issues we have seen over many years.

As part of these changes, it is encouraging that the Treasury will implement in full the Office for Value for Money's (OVFM's) recommendations on governance and budgeting arrangements for mega projects, taking greater responsibility and accountability for mega-projects. However, it is somewhat surprising that the Treasury and the OVFM consider only three projects in the vast government portfolio to be 'mega'–HS2, Sizewell C and Dreadnought. We are concerned that this still leaves some complex and strategically critical projects, such as Euston station and digital transformation projects, under the previous approach to governance and decision-making, which was not working effectively.

As well as responding to the OVFM report, the Treasury has published a 10-year infrastructure strategy. It will follow-up the strategy with an infrastructure pipeline of projects as part of its long-term plans for infrastructure delivery. We set out why an infrastructure pipeline is critical to enabling long-term planning by infrastructure organisations and investors in our recent report on government's use of private finance for infrastructure.

The government merged the independent National Infrastructure Commission (NIC) and the Infrastructure and Projects Authority (IPA) to form the National Infrastructure and Service Transformation Authority (NISTA). It is responsible for the design and delivery of the infrastructure strategy and for addressing barriers to delivery, enhancing and simplifying assurance. It also heads the function and profession for project delivery, leading on publishing the pipeline and spatial planning.

Each of the government's five missions require investment in major projects. For example, major infrastructure investments such as housing and transport aim to stimulate regional economies and attract private investment, contributing to the mission on economic growth. The Treasury has also published updated Green Book guidance on place-based business cases to bring together projects needed to achieve objectives for a particular place. Fundamental to the arrangements of setting up NISTA is that their staff will be embedded as part of the Treasury. The Treasury will therefore have a stake in the success or failure of a mega project, whereas previously this was left to the individual Departments.

We welcome these changes. However, to turn the ambition in these changes into reality, the Treasury and NISTA will need to ensure there is effective oversight and accountability to develop confidence in the markets and ensure governments project delivery remains aligned with its strategic needs. The Treasury must also realise a positive and fundamental culture change, as they accept direct responsibility for the delivery of projects for the first time.

Conclusions and recommendations

1. **It is welcome that the Treasury is implementing stronger governance, and taking more responsibility and accountability for planning and delivering mega projects.** We frequently see issues with governance and decision making on major projects. In particular, unclear objectives, construction starting when design is still immature, and budgets and schedules announced too early. The Treasury has committed to implementing in full the recommendations set out in the OVFM's report on governance and budgeting for mega projects. For example, departments will have to complete feasibility studies to scope projects. Mega-projects will receive funding from the Treasury for this feasibility stage and will not receive funding to deliver the project until the final investment decision is made by the Prime Minister, Chancellor and Secretary of State. A Strategy and Delivery Plan will be laid as a Command Paper in Parliament at the start of the project and at key milestones, including when ministers make material changes e.g. to scope or objectives. The OVFM and the Treasury expect these measures to mitigate the risk that mega-projects budgets and timetables are announced before they have reached the required stage of maturity. However, while the Treasury also plans to be more involved in the governance of mega-projects, with greater accountability for the project's success, how this will operate in practice needs to be clearer.

RECOMMENDATION
The Treasury should write to the Committee in 12 months with an update on the effectiveness of the revised approach to governance of mega-projects.

2. **There are many strategically important projects that will not fall within the OVFM and Treasury's definition of a mega project.** The Treasury and the OVFM's criteria for what constitutes a mega-project are focused on strategic importance, complexity and cost, with the latter needing to exceed £10 billion to be considered 'mega'. This means a number of complex, strategically important projects, such as the Lower Thames Crossing and the Oxford-Cambridge arc, do not meet this definition. We were told that Euston station's bespoke governance arrangements and many stakeholders mean it is an example of a project which could

become a mega project. The criteria exclude projects that are deemed to be repeatable and scalable, such as new hospitals, despite previous failures being experienced by these sorts of projects. Similarly, technically complex and innovative projects, such as digital transformation and artificial intelligence (AI), also do not fit the Treasury and OVFM definition of a mega project, despite government's clear focus on these to deliver its ambitions for public service reform.

RECOMMENDATION

Alongside its Treasury Minute response, the Treasury should write to us setting out the rationale for the £10 billion cost criterion for mega projects, and under what circumstances a project's complexity and importance could justify it being a mega-project even where the £10 billion cost threshold is not met.

3. **We are not yet convinced there is a coherent approach to making decisions on major projects as part of wider plans for local areas and national missions.** The ultimate responsibility for a large and complex project currently sits within one department despite the fact these projects can affect multiple sectors of society and the economy. We were told that the Government intends to use the boards overseeing delivery of the government's five missions to identify the links between projects where they collectively contribute to a mission. Government also intends to use the infrastructure strategy and pipeline to drive more "place-based" governance and co-ordination of projects which are dependent on each other to deliver outcomes in a specific area. These are in addition to the new arrangements being put in place for mega projects. However, we were unconvinced by witnesses' explanation of how these separate yet overlapping structures would work in practice, raising the prospect of duplication of work and confusion in delivery without the right skills involved in decision-making

RECOMMENDATION

Alongside its Treasury Minute response, the Treasury should write to the Committee with explanations–with worked examples–for how it will ensure major and mega project governance will align with Mission and place-based governance in the delivery of the infrastructure strategy.

4. **NISTA still has work to do to ensure that it gains assurance about progress with all major projects and that they are governed and assured effectively.** The government has been focused on mega-projects and the infrastructure strategy and pipeline but there are over 200 projects on the Government Major Projects Portfolio (GMPP) which also need appropriate attention and scrutiny. NISTA currently divides projects on the

GMPP into tiers and decides whether to allocate resources to overseeing a project depending on the tier. However, its focus is likely to be on some of the larger projects, including the mega-projects, and overseeing delivery of the infrastructure strategy. Departmental oversight boards also need to have the right skills and capability to properly exercise their oversight role and lead major projects successfully. To address poor governance and decision-making culture, NISTA has been working on improving and growing the project delivery function and ensuring standards and training are consistent. It is not yet clear to us how it will reform governance of all projects on the GMPP, and how it will gain assurance about progress with those projects.

RECOMMENDATION

In its Treasury Minute response, the Treasury should set out what it and NISTA will be doing to improve governance and assurance of all major projects in the future—particularly at a Departmental level—to ensure oversight boards have the relevant skills mix, including what system-wide interventions it is planning to make.

5. **NISTA has a broad and stretching range of responsibilities, which will require it to juggle many competing demands on its resources.** NISTA is responsible for infrastructure strategy, major project assurance, project delivery capability and has six objectives covering these broad areas. To fulfil these, NISTA has approximately 200 members of staff, though it stated it can also draw on around 18,000 project professionals across government, and the Treasury told us that it envisages some efficiency in it being brought into the Treasury. NISTA is also responsible for improving the collection and use of data to drive government project delivery, and acknowledges there is more work to do in standardising and using the data provided by projects. Bringing NISTA fully into the Treasury requires a fundamental change in culture, thinking, and the way Government delivers mega projects as they will now have a direct stake in the success or failure of these projects.

RECOMMENDATION

a. NISTA should outline milestones for achieving its strategic objectives, including how it will allocate its resources to deliver its objectives, and ensure it retains a focus on priority areas such as digital and transformation projects.

b. NISTA should make better use of data on the performance of major projects to inform its assurance work.

6. **It is not clear how NISTA and the Treasury will be held to account for delivery of their infrastructure strategy and pipeline.** It is now critical that NISTA and the Treasury deliver on the commitments they have set out. NISTA believes that the role of setting infrastructure strategy is better situated inside government because the advice it received from the independent National Infrastructure Commission (NIC) was not always aligned with government policy. NISTA told us that it is retaining the NIC's advisory council to ensure there is a strong voice from industry experts to influence government strategy. However, there is a risk that bringing the NIC's strategic role into government could leave an absence of independent scrutiny over the effectiveness of the Treasury and NISTA's delivery of the infrastructure strategy.

RECOMMENDATION

In its Treasury Minute Response, the Treasury and NISTA should set out how they intend to report annually on progress against delivery of its strategy, as well as what arrangements it will make for this to be independently assured.

1 Changes to strategic governance of projects

Introduction

1. On the basis of a report by the Comptroller and Auditor General, we took evidence from HM Treasury (the Treasury), the National Infrastructure and Service Transformation Authority (NISTA) and the Office for Value for Money (OVFM) on governance and decision-making on major projects.[1]

2. Major projects are one of the main ways the government delivers its objectives. On 31 March 2024, the Government Major Projects Portfolio (GMPP), which comprises the government's largest, most innovative and most risky projects, included 227 projects at a combined whole-life cost of £834 billion. Within the GMPP are a small number of 'mega-projects', such as big railway or energy projects, that are particularly costly, innovative, risky, complex and/or strategically important.[2]

3. Government's 10-year infrastructure strategy and forthcoming project pipeline set out the government's plans for infrastructure in the public and private sectors and its aims to reform the system for granting planning approval for infrastructure projects. The government intends to frame future delivery around five Missions, some of which cut across government departments. Mission boards have been set up to deliver against these priorities.[3] Government's five missions are outlined on the government's website,[4] for example the mission of "Kickstarting Economic Growth" has two milestones of "raising living standards in every part of the United Kingdom" and "Rebuilding Britain" which includes delivering new homes and critical infrastructure for economic growth.[5]

4. The government set up the OVFM to reduce waste and inefficiency, scrutinise investment proposals and make suggestions for system reform. The OVFM recently published a report making recommendations about governance

1 C&AG's Report, Governance and decisionmaking on megaprojects, Session 2024–25, HC 545, 14 March 2025
2 C&AG's Report, para 1
3 C&AG's Report, para 3
4 Plan for Change - GOV.UK
5 Kickstarting Economic Growth - GOV.UK

and budgeting for mega projects.[6] In April 2025, NISTA was formally set-up as part of the Treasury, bringing together the functions of the Infrastructure and Projects Authority (IPA) and the National Infrastructure Commission (NIC). NISTA combines strategy and delivery of infrastructure and will be responsible for overseeing the implementation of the 10-year infrastructure strategy with industry, regulators and departments.[7]

5. We also received written submissions from a range of different sources including professional bodies, academics and wider government stakeholders. A full list of the written evidence we received is available on the inquiry page of the Committee's website.[8] Particular issues and concerns drawn to our attention included:

- The value of having the right behaviours and skills throughout the project, with skills planning considered early on;
- Guidance highlighting the need for clarity around the role of the project sponsor;
- The importance of accountability and scrutiny and how NISTA needs to ensure it can proactively challenge government;
- Not starting before a project is ready, ensuring the project is the right way forward, with a sufficient level of certainty and risk analysis before work begins;
- The need to focus on wider benefits, including whole-life economic, social and environmental value, and not just cost and time determining success when making decisions;
- How a wider strategy can clarify the strategic need for a project and ensure decisions are aligned to a central purpose.

Implementing stronger governance

6. We asked HM Treasury why we see so many problems with governance, oversight and decision-making on big projects. The Treasury said that there are issues around whether the objectives of the project are clear, whether the design is immature as construction is started, and whether budgets and schedules are announced too early.[9] The Comptroller and Auditor General's report set out that complexity, novel design or innovation, the design,

6 HM Treasury, Value for Money (VfM) study on the governance and budgeting arrangements for mega projects, 19 June 2025

7 C&AG's Report, para 3

8 Committee of Public Accounts, Governance and decision-making on major projects written evidence

9 Q 3

cost forecast and probable delivery date of a mega-project are likely to be subject to high levels of uncertainty. There is often pressure on projects to get started quickly and this pressure is often political, with projects progressing before decision-makers have the time to fully understanding a mega-project's risks and uncertainties, which can lead to committing to mega-projects and their budgets and timetables too soon.[10] Written evidence from the Institution of Civil Engineers (ICE) agreed, highlighting that scope change, scope creep or incomplete designs often occur once work has already commenced.[11]

7. We asked the Treasury about when major and mega projects are given the approval to proceed and who makes these announcements. The role the Treasury plays in decisions about whether and how to proceed with a mega-project, its purpose and how to fund it is particularly important. At the time of our session, government approved an overall funding envelope for a mega-project's whole-life cost, and then issued shorter-term commitments for a mega-project's annual funding profile, often for a spending review period. Whole-life costs of large and complex projects can be significant and span years, even decades. However, annual budgets can be changed if a sponsor department needs to reprofile their spend.[12]

8. The Treasury told us that, following from the OVFM's report, for mega-projects it proposes to fund a feasibility stage which will be necessarily long enough to clarify objectives and go through the various business case processes, before setting out publicly what the project intends to do. It explained this stage would be more substantial than it is currently, and we noted this could take months or even years.[13] It also told us that there will be a staged approvals process as recommended by the OVFM, where funding will only be provided from the Treasury to get to the next stage of approval once the mega-projects decision panel is satisfied that the project is able to proceed.[14] The Treasury told us that a "go slow to go fast" approach would encourage both faster and more reliable delivery of projects.[15]

9. We noted the importance of transparency and asked what role this will play in the new process. The Treasury told us a strategy and delivery plan for a mega-project will be published, stating what the aim of the mega-project is and how this will be delivered.[16] These Strategy and

10 C&AG's Report, paras 3.8-3.9, 3.11-3.12
11 GMP0006
12 C&AG's Report, paras 2.4, 2.10
13 Qq 5-6
14 Q 12
15 Q 13
16 Q 4

Delivery Plans will be laid as Command Papers in Parliament at the start of the mega-project and at key milestones, including when ministers make material changes to mega-projects, such as to their scope or objectives.[17]

10. We asked how government will prevent projects being announced too early, noting that politicians are a factor. The OVFM told us that this feasibility stage will try to address this by setting out how governance is going to work, with publication of the strategy and delivery plan for a mega-project that defines the stages it will go through. The OVFM and the Treasury also emphasised the importance of flexibility and that cost and schedule estimates should be very broad ranges in the early stages.[18] NISTA told us that when there is uncertainty, projects will follow the NISTA guidance on cost estimating, which has a broad range at the start, then comes down as maturity develops.[19] The Treasury told us that when the mega-project is ready it will enter a construction phase, which would have its own budget with flexibility within it where things are not expected to change, as a result of the work done during the feasibility stage. The OVFM added that for mega-projects categorised by their definition, the Prime Minister, Chancellor and the relevant Secretary of State will be responsible for making the final investment decision.[20]

11. We asked the Treasury to outline what its new supervisory role is going to be for mega-projects. The Treasury explained that it will have a greater role in the governance of mega-projects by requesting a seat at the board and, in its role as financial shareholder, will have far greater accountability for the mega-project's success.[21] We also asked how risks and uncertainties at the beginning of a project would be better understood. NISTA told us that the mega projects decision panel that the OVFM recommended is being created. It said that the Permanent Secretary of the Cabinet Office, a director general within the Treasury and the CEO of NISTA will sit on this panel and advise the Chancellor, Chief Secretary and Prime Minister on the approval decision points. At these points a significant amount of assurance would be done, identifying the risks.[22]

17 HM Treasury, Value for Money (VfM) study on the governance and budgeting arrangements for mega projects, 19 June 2025

18 Q 11

19 Q 12

20 Q 5

21 Q 7

22 Q 12

Defining a mega project

12. Mega-projects display several characteristics which, when taken together, make them more difficult to deliver than major projects. They often have the potential to be transformational to the economy or society and are scentral to the government's efforts to achieve its priorities. They may involve high levels of innovation or be the first of their type. The benefits of these projects can affect many parts of society, the economy and the environment; therefore, they cut across the interests of multiple departments and agencies. The environment in which mega-projects are delivered is often highly complex and challenging–primary legislation may be required, they may have multiple stakeholders, be delivered over multiple electoral and economic cycles, and involve extensive supply chains. Also, they often have a combination of high cost, risk and uncertainty, so that cost increases can dominate the financial position of a department. Finally, mega-projects can require substantial time for value and benefits to materialise.[23]

13. We asked how government will be defining mega-projects. The OVFM told us that its selection criteria is focused on strategic importance, complexity and size, using £10 billion whole-life cost as a threshold. The OVFM's selection criteria also excludes all scalable projects with repeatable elements, explaining to us that with mega-projects, you either do all the project or none of it.[24] The Treasury told us that there are currently three projects in the government's portfolio defined as 'mega': High Speed 2, Sizewell C and Dreadnought.[25] The OVFM added that the Department for Transport is currently looking at delivery models and governance for Euston as a large and complicated project in its own right. NISTA stated that due to its size, complexity, and separate governance arrangements to HS2, Euston has the potential to become a mega-project.[26]

14. The OVFM and Treasury's selection criteria for mega-projects excludes a number of complex projects, such as the Lower Thames Crossing and the Oxford-Cambridge arc.[27] The exclusion of repeatable and scalable projects also means that the New Hospitals Programme is not classified as a mega-project, a project this committee has previously examined.[28] Similarly, technically complex and innovative projects, such

23 C&AG's Report, paras 1.1-1.7
24 Q 72
25 Q 7
26 Q 46
27 Q 72
28 Q 7; Committee of Public Accounts, The New Hospitals Programme, First Report of Session 2023–24, HC 77, 9 November 2023

as digital transformation and artificial intelligence (AI), also do not fit the OVFM and Treasury's definition of a mega project, despite government's clear focus on these to deliver its ambitions for public service reform.[29]

Developing a coherent strategic approach

15. The ultimate responsibility for a large and complex project currently tends to sit within one department despite the fact these projects can affect multiple sectors of society and the economy. Delivering these projects can therefore require multiple departments, different tiers of government and other organisations to be involved in the decision-making process and their governance structures. The complexity of cross-cutting delivery can lead to complicated and confused governance structures, resulting in ineffective decision-making, poor engagement and a lack of joined-up thinking, responsiveness and the co-ordination required to deliver value. However, well designed governance can provide the necessary co-ordination, clarity and effective decision making that complex and cross-cutting projects need.[30]

16. We asked the Treasury how it will ensure that the governance of the infrastructure strategy and project pipeline will align with the governance of the five missions. It told us that the infrastructure strategy sets out how each project will support delivery of the missions and that for mega projects there will be bespoke governance arrangements. It cited the Oxford-Cambridge arc as an example of a project with specific governance arrangements for a mega-project, which is separate from the growth mission board which covers governments efforts to drive up prosperity and living standards across the UK. The Treasury outlined how for mega projects it would like to replicate the approach to the Olympics where there was a particular body responsible for delivery.[31]

17. We asked the Treasury how it will ensure that projects, which are related to each other or are in the same area but sit within different departments, do complement each other and provide value for money. It told us that governance needs to be set up which has all the people round the table and that projects such as the Oxford-Cambridge arc are not just seen as a transport project. The Treasury highlighted that mission boards are designed to look at cross-cutting government issues.[32] We noted that these arrangements sounded quite ad hoc and the Treasury told us that

29 Qq 59, 62, 69

30 C&AG's Report, paras 2.6-2.7, 2.9

31 Q 42; Question for Treasury, Written questions and answers UK Parliament, UIN 20927, 18 December 2024

32 Q 43

the five missions "have very clear governance structures".[33] We asked how this works in practice when there are different departments and agencies working on related projects. It told us that the mission boards meet regularly and talk these interrelationships through, and that missions cover the vast majority of what the government is trying to achieve.[34]

18. We asked about how changes to the Green Book will ensure that projects are effective place-based interventions. The Treasury outlined that the key objective of the place-based business case is to bring together all the different projects that will make a substantial difference to a particular place, and where these projects are greater than the sum of their parts. It said that this approach would not necessarily apply to mega projects but would be important for a number of individual projects or programmes to bring out the benefits that would perhaps not be seen on an individual basis.[35]

33 Q 44
34 Q 45
35 Q 37

2 NISTA’s new role

Ensuring that HM Treasury and NISTA gains assurance about progress with all major projects

19. On the 31 March 2024, the Government Major Projects Portfolio (GMPP) included 227 projects at a combined whole-life cost of £834 billion. NISTA needs to gain assurance about progress with major projects as this helps it to challenge projects to take corrective action and gives sponsors confidence in how they are progressing. Those involved in governance need to think through what internal and external assurance they need, when they will need it, what skills and experience this will require, and how the various types of assurance fit together in an integrated assurance plan. If assurance is designed badly, there is a risk that it becomes ongoing non-expert commentary which could cause delay and confuse accountability.[36] We have repeatedly raised concerns over the Department for Transport (DfT) and HS2 Ltd having the skills and capability they need to lead the High Speed Two programme effectively and credibly.[37] The Stewart Review found that HS2 Ltd and DfT as the Sponsor have been consistently underpowered in performing their roles. HS2 Ltd has lacked the capability to deal with the size and complexity of the project and DfT Sponsor team lacking the commercial and delivery experience as a client on major infrastructure projects.[38]

20. We asked NISTA how the gateway and business case process will be strengthened to give better assurance on project affordability and value for money. NISTA told us there is now a distinction between mega projects and major projects with new governance arrangements being put in place for mega projects.[39] The new arrangements for mega projects involve decisions at each stage gate being made by the Prime Minister, Chancellor and

36 C&AG’s Report, paras 1, 4.9, 4.11
37 Committee of Public Accounts, HS2: Update following the Northern leg cancellation, Tenth Report of Session 2024–25, HC 357, 28 February 2025
38 James Stewart, Stewart Review: Major Transport Projects Governance and Assurance Review, 18 June 2025
39 Q 55

relevant Secretary of State, advised by a new decision panel involving the Treasury, NISTA and Cabinet Office officials, itself informed by independent assurance.[40]

21. We noted that the concept of mega projects could take away from the proper supervision of major projects and asked how NISTA will have the bandwidth to be able to keep across all these major projects. NISTA told us that the GMPP projects are tiered and prioritised, with the prioritisation reviewed quarterly. NISTA said it changes and moves resources around, depending on the needs of the projects. NISTA expects an advantage of its new role will be the ability to improve the overall project delivery system and said that that whilst a lot of its focus may be on the larger projects, quite often the broader challenges, and opportunities for efficiencies relate to how individual projects fit into broader programmes such as the school or hospital building programmes.[41]

22. We noted the importance of governance culture and asked how NISTA will address recurring themes around poor governance and decision-making. NISTA highlighted the importance of reporting and assurance to make the right decisions at the right time. NISTA told us it has been working on improving and growing the project delivery function and ensuring standards and training are consistent.[42] NISTA also told us it has put 1,376 people through the Major Projects Leadership Academy (MPLA), nearly 3,000 people in the project leadership programme, and 135 directors general through Orchestrating Major Projects training. NISTA highlighted that 81% of Senior Responsible Owners across the GMPP have completed or are part way through the MPLA training.[43]

NISTA's stretching range of responsibilities

23. NISTA is combining strategy and delivery of infrastructure and will be responsible for overseeing the implementation of the 10-year infrastructure strategy, supported by a project pipeline, with industry, regulators and departments.[44] NISTA told us that merging the Infrastructure and Projects Authority (IPA) and National Infrastructure Commission (NIC) into NISTA and making it part of the Treasury means NISTA will be greater than the sum of its parts with strategy, delivery, decision making and the money side all in one place. NISTA told us it has a much broader remit in terms of sectors compared to the NIC and IPA. It has six initial objectives, which include

40 Q 12
41 Q 58
42 Qq 16-17
43 Q 18
44 C&AG Report, para 3

overcoming barriers to delivery, enhancing and simplifying assurance, being head of function and profession for project delivery, publishing the pipeline, and spatial planning.[45]

24. We asked NISTA how it was going to ensure it has the necessary resources and capacity to deliver its scope. NISTA told us it is confident it can resource the six objectives through its staff of over 200, and also has access to the 18,000 project delivery professionals across government.[46] The Treasury told us that including NISTA's 200 staff is a substantial increase to the Treasury's 2,000 staff, and that it envisages some efficiency in bringing organisations together. As a result, the Treasury said it was confident it had the resources needed for NISTA "to do a really great job." [47]

25. NISTA's remit covers service transformation and so we asked NISTA about its role with transformation projects. NISTA told us it has an experienced team in transformation and digital projects and said that if a project meets the requirements to be part of the GMPP it will get the relevant support.[48]

26. We asked how the IPA's previous data collection could continue to be used across projects to aid costing and identify effective early warning indicators for project delivery. NISTA told us its intention is to continue to publish updates and collect quarterly data on project performance and acknowledged that there was more work to do in terms of standardisation of the data across projects and Departments. NISTA told us that it had recently published a data standard but this was a minimum viable product, and it needed to look further into project controls to get a better set of indicators. NISTA said it does not have the ability to look at the monthly performance of projects or as projects are evolving.[49]

Accountability for the delivery of the infrastructure strategy and pipeline

27. The infrastructure strategy sets out government's intention to provide long-term stability needed to attract investment, boost supply chains and jobs, and take a joined-up view to improve planning and delivery across infrastructure.[50] We noted that the infrastructure strategy and pipeline will provide investor certainty and less pressure on suppliers, by ensuring there are not lots of projects going on at the same time which require the same contractors. We reported on the need for the infrastructure strategy

45 Q 47
46 Q 49
47 Q 50
48 Qq 59-60
49 Qq 64-65
50 HM Treasury, UK Infrastructure: A 10 Year Strategy, CP 1344, June 2025

and pipeline in our recent report on private finance for infrastructure, highlighting how a lack of a credible pipeline in previous years has made it challenging for organisations and investors in the sector to plan for the longer term.[51]

28. NISTA told us that the aim of the strategy is to improve project delivery by bringing government thinking into what it is going to do and fund over a 10-year period. NISTA said previous strategies were over a shorter five-year period, which was not long enough to improve project delivery. NISTA said the strategy is the first step in enabling a clearer picture, where everything is far more visible and organisations and people can be held to account much more clearly.[52] In written evidence submitted to us, the Institution of Civil Engineers (ICE) recommended that independent oversight of government delivery should be part of NISTA's governance structure, so that it has a clear role to proactively challenge the government and not shy away from difficult conversations. ICE also recommends that NISTA holds government accountable for developing and committing to a prioritised, stable pipeline of investible projects aligned with society's needs.[53]

29. We asked NISTA how it will ensure it has sufficient independence to fulfil its function to develop, deliver and challenge the 10-year infrastructure strategy, as part of the Treasury. NISTA told us that moving the NIC's independent strategic advisory role inside government is more powerful because now the advice will be aligned with government's intentions and will directly contribute to decision-making.[54] We asked what options and actions were open to NISTA if NISTA concluded it did not have sufficient independence to fulfil its role. NISTA told us it has retained the expert advisory council from the NIC, with previous Commissioners transferring to NISTA. NISTA told us how the advisory council will provide advice directly to the CEO of NISTA and the Chief Secretary to ensure there is a strong voice from industry experts.[55]

30. We noted that we had previously heard that projects on the GMPP would have their summary business cases published following final approval and evaluations.[56] We asked what difference the publications of these could make to project governance. The Treasury told us that it set an expectation that all business cases are published four months after they have received their final sign-off. It said that publication is an important part of improving

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51 Committee of Public Accounts, Government's use of private finance for infrastructure, Thirty-Ninth Report of Session 2024–25, HC 821, 11 July 2025

52 Q 25

53 GMP0006

54 Q 52

55 Q 53

56 Committee of Public Accounts, Lessons from major projects and programmes, Thirty-Ninth Report of Session 2019–21, HC 694, 29 January 2021

transparency, setting out the parameters and expectations on which a project is being delivered.[57] NISTA highlighted that the publications demonstrated a level of accountability and visibility over what the intention is. It also said that the 10-year infrastructure strategy and the pipeline would become more relevant, noting that there would be annual NISTA updates on performance against the strategy.[58] The OVFM told us that publishing a strategy and delivery plan will help to address planning requirements and address transparency to the public.[59]

57 Qq 66-67
58 Q 66
59 Q 4

Formal minutes

Thursday 4 September 2025

Members present

Sir Geoffrey Clifton-Brown, in the Chair

Mr Clive Betts

Mr Luke Charters

Sarah Green

Chris Kane

Oliver Ryan

Declaration of interests

The following declarations of interest relating to the inquiry were made:

26 June 2025

The Chair declared the following interest: chartered surveyor.

Governance and decision-making on major projects

Draft Report (*Governance and decision-making on major projects*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 30 read and agreed to.

Summary agreed to.

Conclusions and recommendations agreed to.

Resolved, That the Report be the Forty-Fourth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available (Standing Order No. 134).

Adjournment

Adjourned till Monday 8 September at 3 p.m.

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the inquiry publications page of the Committee's website.

Thursday 26 June 2025

James Bowler CB, Permanent Secretary, HM Treasury; **David Goldstone**, Independent Chair at The Office for Value for Money, HM Treasury; **Nick Donlevy**, Director of Public Spending, HM Treasury; **David Lunn**, Interim Director of Corporate Finance, HM Treasury; **Jon Loveday**, Director of Infrastructure, Enterprise and Growth, NISTA Q1-73

Published written evidence

The following written evidence was received and can be viewed on the inquiry publications page of the Committee's website.

GMP numbers are generated by the evidence processing system and so may not be complete.

1	Ahmad, Dr Salman (Lecturer in (Management) Accounting, Aston University - Birmingham)	GMP0009
2	Association for Project Management	GMP0002
3	Cook, Mr Nigel D (Retired - P3M Expert)	GMP0003
4	Friends of Carrington Moss	GMP0005
5	Gillett, Dr Alex (University of York); and Tennent, Dr Kevin (Reader in Management, University of York)	GMP0008
6	Institution of Civil Engineers	GMP0006
7	Okoli, Dr Justin (Senior Lecturer, University of Derby, UK); and Enang, Dr Iniobon (Assistant Professor (Research), Coventry University, UK)	GMP0007
8	Pearson, Rosie (Founder, Community Planning Alliance and Essex Suffolk Norfolk Pylons)	GMP0004
9	The Energy Demand Research Centre (EDRC)	GMP0010
10	The National Skills Academy for Rail (NSAR)	GMP0011

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the publications page of the Committee's website.

Session 2024–25

Number	Title	Reference
43rd	MoD's oversight of Reserve Forces' and Cadets' Associations	HC 893
42nd	Water sector regulation	HC 824
41st	UK Research and Innovation	HC 826
40th	Collecting the right tax from wealthy individuals	HC 827
39th	Government's use of private finance for infrastructure	HC 821
38th	Increasing teacher numbers: Secondary and further education	HC 825
37th	Immigration: Skilled worker visas	HC 819
36th	Jobcentres	HC 823
35th	Introducing T Levels	HC 822
34th	Department for Business and Trade Annual Report and Accounts 2023-24	HC 818
33rd	Supporting the UK's priority industry sectors	HC 1070
32nd	The Future of the Equipment Plan	HC 716
31st	Local Government Financial Sustainability	HC 647
30th	Antimicrobial resistance: addressing the risks	HC 646
29th	Condition of Government property	HC 641
28th	Decommissioning Sellafield	HC 363
27th	Government's relationship with digital technology suppliers	HC 640
26th	Tackling Violence against Women and Girls	HC 644
25th	DHSC Annual Report and Accounts 2023-24	HC 639

Number	Title	Reference
24th	Government cyber resilience	HC 643
23rd	The cost of the tax system	HC 645
22nd	Government’s support for biomass	HC 715
21st	Fixing NHS Dentistry	HC 648
20th	DCMS management of COVID-19 loans	HC 364
19th	Energy Bills Support	HC 511
18th	Use of AI in Government	HC 356
17th	The Remediation of Dangerous Cladding	HC 362
16th	Whole of Government Accounts 2022-23	HC 367
15th	Prison estate capacity	HC 366
14th	Public charge points for electric vehicles	HC 512
13th	Improving educational outcomes for disadvantaged children	HC 365
12th	Crown Court backlogs	HC 348
11th	Excess votes 2023-24	HC 719
10th	HS2: Update following the Northern leg cancellation	HC 357
9th	Tax evasion in the retail sector	HC 355
8th	Carbon Capture, Usage and Storage	HC 351
7th	Asylum accommodation: Home Office acquisition of former HMP Northeye	HC 361
6th	DWP Customer Service and Accounts 2023-24	HC 354
5th	NHS financial sustainability	HC 350
4th	Tackling homelessness	HC 352
3rd	HMRC Customer Service and Accounts	HC 347
2nd	Condition and maintenance of Local Roads in England	HC 349
1st	Support for children and young people with special educational needs	HC 353