Can I first thank Tim Broyd for that kind introduction. The Institution of Civil Engineers is second home to the National Infrastructure Commission. Last year's president of the Institution, Sir John Armitt, is now deputy chair of the Commission. Both John and Tim have generously allowed us to use their spectacular rooms free of charge - freeing up more money for HS2! - and since reading Julian Glover's brilliant biography of him, I think of the Institution's first president, Thomas Telford, every time I enter the grand hallway.

Thomas Telford wrote, in 1801: “Nothing tends so much to promote the improvements of a state, as the establishing of an easy and uninterrupted communication through all its districts.” Telford and Adam Smith, who noted in the Wealth of Nations that “Good roads, canals, and navigable rivers are the greatest of all improvements,” were, in effect, the father and godfather of modern infrastructure planning.

In the following generation, the Victorians took infrastructure construction to the highest level hitherto known in any civilisation. Just think of the physical and mental revolution brought about, in barely two decades, by the creation of the Victorian railways. Add to that Sir Joseph Bazalgette’s amazing sewerage system in London, then the largest city in the world, and the great national endowment of parks, libraries, schools, hospitals, bridges, paved roads, street lighting, trams and gas and water systems pioneered city by city by civic leaders of the calibre of Joseph Chamberlain in Birmingham, and it was indeed a remarkable British-led civilisation.

Alas, in the 20th century we lost some of the knack for large scale infrastructure planning. It wasn't as bad as sometimes painted, and of course there were two world wars. After the Second World War, the heirs of Telford built today's motorways, airports, energy and telecoms systems, millions of new homes and more than 30 new towns or major urban extensions.

The most important of these new urban extensions was the creation of a wholly new, large and successful commercial district in the derelict east London docklands, complete with Canary Wharf, the Jubilee Line extension, the Limehouse Link, City Airport and the Docklands Light Railway. Docklands was the brainchild of Michael Heseltine, who to my mind ranks alongside Christopher Wren and John Nash as a visionary. He had a similarly bold vision for the city of Liverpool, also partly realised. We were hugely privileged to have Lord Heseltine as one of our founding commissioners. He is no longer with us. But he remains as committed as ever to transformational infrastructure for the future, and we continue to benefit from his informal advice.

So there were some great 20th century achievements. But where Britain had previously been a byword for quality and modernity in its infrastructure, across much of the country - including much of London - it became almost a byword for decrepitude and shoddiness in the 70s, 80s and 90s.
Since the Millennium, there have been more exemplary successes. The Olympics. HS1. St Pancras. Kings Cross. The Manchester Tram system. London Overground. Heathrow Terminals 2 and 5. The biggest of them all, Crossrail, the new East-West London line adding fully 10 per cent to London's public transport capacity, opens next year.

These are great successes. But the record has been patchy, in 4 respects.

First, some sectors have lagged badly. In particular, the quality of mobile and broadband coverage is well below international high performers. Yet this is the core infrastructure for the ongoing digital revolution.

Second, London and the South-East have been the main beneficiaries. Population growth partly explains and justifies this. I don't subscribe to the 'less London means more Hull and Liverpool' school of thinking. Less London, in today's globalising economy, would probably mean more Los Angeles, Singapore, Sydney and Shanghai. But with striking exceptions - like the Manchester tram and the rebuilding of Birmingham New Street - transformational new and upgraded infrastructure hasn't benefited the UK's regions and nations beyond the South-East to the same degree as London and its commuter hinterland.

Third, local infrastructure has been subject to too little investment - again, particularly outside London, where the local government tax base has been weak and getting relatively weaker.

And finally, these last two areas - local investment and investment beyond the South-East - have particularly suffered from the fourth weakness: stop:go national infrastructure spending, and a long running level of national capital investment which has been well below the average for the developed western world. The erosion of the infrastructure skills base, and poor design and cost control, have not helped.

Our task, as a country, is to put right these weaknesses. To regain the spirit of the Victorians. The National Infrastructure Commission was set up to focus on improving infrastructure planning and quality, and addressing these four weaknesses will be of the highest priority in our work.

In his excellent Lord Mayor's speech last week, the Chancellor, Philip Hammond, made this part of what he called a 'jobs first' approach to Brexit and the next decade.

'We need to explain again how stronger growth must be delivered through rising productivity,' he said. He went on: 'That means more trade, not less ... It means the UK remaining open to the talent, the ideas and the capital that have driven the success of our economy in the past, and will drive it in the future ... It also means addressing the domestic weaknesses that have plagued us: under investment, both public and private; inadequate skills; and regional disparities.'
He also talked of productivity as 'the elixir that raises incomes and living standards,' noting that productivity growth of even one quarter of one percent a year, on a sustained basis over 10 years, would add £67 billion to GDP – that’s £2,400 for every household in the UK.

In all these respects - jobs, trade, productivity, narrowing regional disparities - sustained infrastructure investment is vital.

I strongly welcome both the Chancellor's high-level argument and his specific assurances on issues including the replacement of the capital funding of the European Investment Bank after Brexit, and offering construction guarantees within the UK Guarantee Scheme.

The work of the National Infrastructure Commission is focused on three areas: specific infrastructure priorities; a long-term National Infrastructure Assessment, and monitoring progress in the delivery of existing commitments. We have already reported on a number of specific priorities, including on next-generation mobile communications, smart energy systems, infrastructure for the Northern Powerhouse, and the development of the hugely productive Cambridge-Milton Keynes-Oxford corridor.

Later in the year we will issue a major consultation document on our National Infrastructure Assessment, giving our initial view of the UK’s long-term infrastructure priorities.

Today I want to highlight the imperative for progress on the most important immediate national infrastructure priorities where there are existing Government commitments, but where a great deal of follow-through action is required to make them happen. In the context of Brexit and a hung parliament, there is deep business uncertainty about national investment - public and private - and it is essential that Government and Parliament takes a decisive lead on infrastructure to show that Britain is open for business and can reclaim the spirit of the Victorians, before and after Brexit.

I highlight the top 12 priorities for the next year and in the NIC statement today say what needs to be done over the coming months to keep each of them on track. Each of these 12 is important in its own right. Collectively, they are a test of national resolve to build for the future in the spirit of the Victorians and deliver a jobs-first Brexit.

Let me take the top 12 in turn and say what the Government and Parliament needs to do in each case.

1. Heathrow 3rd runway.

The Government should complete all preparatory work needed for a Parliamentary decision to be taken on a third runway for Heathrow airport, and progress other aviation policy decisions to boost air traffic capacity, particularly in the south-east of England. This requires:
• A House of Commons vote on any finalised National Policy Statement on airports capacity in the south-east of England no later than May 2018;
• A government response to the consultation on UK airspace published no later than October 2017;
• A timetable for agreeing an updated national aviation strategy published no later than September 2017.

2. **High Speed 2**
The Government should introduce the hybrid Bill for phase 2a (Birmingham to Crewe) of High Speed 2 and publish the finalised route for Phase 2b (Crewe to Manchester and Birmingham to Leeds), including connections with High Speed 3, and let the major work contracts for the project, by the end of July 2017.

3. **High Speed 3 (linking the major northern cities from Liverpool to Newcastle and Hull)**
The Government should publish by the end of 2017 a single integrated plan for the first phase of High Speed 3, incorporating proposals for electrifying and upgrading the trans-Pennine (Manchester to Leeds) rail route, plans for the northern sections of HS2, and plans for the redevelopment of Manchester Piccadilly station, as set out in the NIC’s *High Speed North* report.

4. **Crossrail 2 (linking north-east, central and south-west London)**
The Government should by the end of 2017 publish a plan, agreed with the Mayor of London, for the funding and phased construction of Crossrail 2, and for securing the necessary parliamentary consent, taking account of the recommendations in the NIC’s *Transport for a World City* report.

5. **Eastern crossings of the River Thames**
The Government should:

• take a decision on planning permission for the Silvertown Tunnel by the end of October 2017;
• announce its financing strategy for the new Lower Thames Crossing (to relieve the congested M25 Dartford Crossing), and begin the Environmental Impact Assessment process, no later than September 2017, paving the way for consultation on the detailed route in 2018 and the submission of the development consent application in 2019;
• agree a policy with the Mayor of London for the next road crossing of the Thames in East London by the end of 2017, to enable substantial new housing development.

6. **Flexible power systems**
The Government should publish its plan for smart energy systems, as set out in its response to the NIC’s *Smart Power* report, including the actions it will take to enable greater deployment of electricity storage, interconnectors and demand flexibility, no later than September 2017.
7. **Renewable energy**
   The Government should publish its firm forward plans for supporting renewable energy, at least to 2025, including the use of the remaining funds from the £730m agreed in the last Parliament, by October 2017, and specific longer-term goals in the Autumn Budget.

8. **Decarbonisation of energy**
   The Government should publish its strategy for the decarbonisation of energy, including its emissions reduction plan, no later than October 2017, and set out its trajectory for the future level of the “carbon price floor” in the Autumn Budget.

9. **Hinkley Point C**
   The Government should by the end of the year publish a strategy and timetable for replacing the services provided by the UK’s membership of Euratom to support the timely delivery of the new Hinkley Point C nuclear power station and any future nuclear projects.

10. **Broadband and mobile**
    The Government should, by the end of 2017, publish its final broadband Universal Service Obligation decision and set out minimum acceptable standards for mobile coverage, based on metrics which genuinely reflect where people live, work and travel. These should be followed within six months by a credible delivery plan, setting out the concrete steps that the Government will take to ensure they are met.

11. **5G mobile**
    The Government and Ofcom should take the following steps by the end of 2017 to implement the recommendations from the NIC’s Connected Future report and prepare for the widespread deployment of 5G technology from 2020:
    
    - Complete the auction of 5G spectrum in the in the 3.4 – 3.6 GHz range and publish a timetabled plan to complete by the end of 2019 the auctions of other key 5G spectrum bands;
    - Set out a comprehensive plan to enable the rollout of 5G services, including proposals for providing access to public sector buildings, land and other assets, and the commercial models for delivering high quality mobile services directly alongside the motorway network and main railway lines.

12. **Water and flood defence infrastructure**
    The Government should finalise the Strategic Policy Statement for Ofwat by the end of September 2017 and publish its review setting out proposals for the effective management of surface water flooding by the end of 2017.

Let me make one final point. Modernising and upgrading the UK’s infrastructure is not only a job for central Government. Regional leaders must also play their part.
An urgent 2017 priority for the new metro Mayors in the West Midlands, Greater
Manchester and other parts of the country is to identify strategic infrastructure priorities for their regions/areas.

The National Infrastructure Commission will provide support to help the major city-conurbations and regions develop their plans and to facilitate constructive engagement with central government.

Together, we can be as great as the Victorians. But only if we adopt the mentality of Queen Victoria herself, who memorably remarked: 'We are not interested in the possibilities of defeat; they do not exist.'