



# MANIFESTO

## 2023



*Delivering a safe, innovative,  
resilient and globally competitive  
UK built environment sector.*



# Foreword

**In quick succession following the launch of ACE's three-year Blueprint, I am pleased to share ACE's Manifesto, outlining our policy aspirations for 2023 and beyond.**

Our members are fundamental to the programmes and projects in the built environment which will unlock opportunity for society. Whether that be meeting Net Zero commitments and targets, delivering on promises for regional development, or driving economic growth while boosting productivity, our members' work enables political ambitions to be turned into tangible projects and programmes.

In return, our members, who design, deliver and manage our national infrastructure and the built environment, need long-term plans and the political stability to ensure they can access the skills, financial resource and capacity to deliver what is expected of them.

Should another General Election come to pass, we will work with whomever is in power in Westminster, as well as with the devolved assemblies, parliaments and combined authorities, to ensure future investments in our national transport, energy, flood resilience, water, waste and digital networks are both fit-for-the-future and deliver on the social, environmental and economic ambitions placed on them.

As the business association for the built environment, we will continue to champion the impact of our members' work and ensure all political voices understand that our sector is crucial to unlocking economic growth, creating jobs and nurturing opportunity for all no matter where they live.

We look forward to working together to deliver a better tomorrow.



**Stephen Marcos Jones**  
CEO





# Introduction



**The Association for Consultancy and Engineering (ACE) champions infrastructure and the built environment to government, industry and other stakeholders.**

Our members employ over 60,000 in UK and 250,000 worldwide, contributing more than £15 billion to the UK economy. However, the buildings and structures they deliver actively contribute over £570 billion a year of GVA.

Our **2023 Manifesto** provides a foundation for working with government and others for ACE to deliver a safe, innovative, resilient and globally competitive UK built environment sector on behalf of its members – against a backdrop of economic uncertainty.

With the next general election in mind, currently scheduled to take place in just over a year's time, this Manifesto ensures ACE and the industry is well placed to influence political parties as they begin developing and communicating their future policy proposals.

Whether building a diverse and inclusive workforce, delivering social value, improving procurement practices, rethinking risk, or encouraging new technology and innovation, this Manifesto provides realistic recommendations, and an overarching ambition for greater collaboration to achieve these goals.

These are increasingly turbulent political and economic times, yet all recent administrations have committed to supporting infrastructure delivery. This Manifesto provides a basis for the current and future administration to support the sector in unlocking the potential in our national transport, energy, flood resilience, water, waste, and digital networks.



## Innovation, people and social value

If we are to grow and transition our economy, **innovation** will play a critical part in making that happen. However, the current reality is of a fragmented and inconsistent approach to innovation, increasing challenges over IP, cost, awareness and adoption. We must also recognise that the international market poses both an opportunity and a risk.

Our manifesto recommendations aim to drive best practice in innovation, and ensure that Government plays an active role in creating the conditions to support the UK sector to be a strong player in an internationally competitive marketplace.

The built environment is not alone with challenges around **people and skills**. We know of the recruitment and retention challenges, the lack of sector-specific data, and inconsistent workplace cultures. Recommendations from across our advocacy groups are aimed at ensuring government can support the delivery of a reliable and diverse talent pool to serve both the immediate and future needs of our industry.

At the heart of all our members' projects is the positive impact it has on local communities. We also know that **social value** can be an ambiguous concept – difficult to measure, and there continues to be low community engagement in too many areas.

At this current moment in time, many public and private procurement opportunities are focused on price rather than value. Our members have supported the development of practical solutions as part of this Manifesto, agreeing to develop a set of metrics, language and approaches which will deliver social value.



Finally, to deliver any project, **excellence** and **risk** need to be carefully considered as part of the procurement process. In practice, quality tends to be measured by cost rather than value.

It is also difficult for new companies to attain recognition on the project frameworks of major clients, and the perception of risk has not evolved with the current industry reality – leading to a disproportionate burden on companies. Some of the practical solutions outlined in this Manifesto will ensure continuous quality improvements across the supply chain, support procurement activities, and promote a competitive market.

Recommendations in this Manifesto have been formulated following discussions at ACE's advocacy groups, covering a wide range of important policy areas including **transport, climate change, places, people, and procurement.**

These five groups feed into the delivery of ACE's three-year Blueprint and ACE will be working with government and other policymakers to make the ambitions in this Manifesto a reality.

In a noisy policymaking and political space, it will ensure we have a distinct voice in debates around Net Zero, regional development and levelling up, and skills.



### People

A reliable and diverse talent pool to serve the future needs of our industry.



### Social value

A common language and approach to delivering social value across the sector which understands and meets the needs of communities.



### Excellence

Continuous quality improvement across the supply chain supporting procurement activities and promoting a competitive market.



### Risk

A transparent, fair and proportionate appraisal of risk that supports and drives the use and uptake of standard tools.



### Innovation

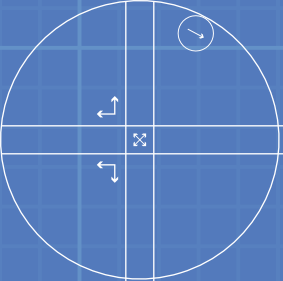
The right conditions to support the UK sector to be a stronger player in an internationally competitive market for new technology.



### Association

A relevant, resilient and sustainable business association dedicated to serving its members regionally, nationally and internationally.





# Transport & Mobility

Despite being thought of as a means of travelling from point A to point B, transportation plays a key role in the fundamental development of towns, cities, and both urban and rural areas throughout the UK.

It has an impact on the economy as well as nature, biodiversity, living standards, and health, with the potential to connect and transform communities. Current and future governments face the challenge of deciding in what type, how, and where to invest in the sector, as well as simultaneously working to decarbonise it.

Better transport systems frequently leads to better businesses, connectivity, health and well-being. For example, in the effort to achieve net zero, the shift to carbon-reducing technology like electric vehicles, e-Bikes, and e-Scooters, and the promotion of active travel, can revolutionise the world we live in. Transport is also key to other ambitions such as unlocking regional development, boosting productivity and Levelling Up.

***“Great transport connections should be the arteries of the UK – unlocking opportunity, boosting productivity, and levelling up communities. Transport will need significant changes and investment if it is to play a part in any credible plan to deliver our net zero aspirations.”***

**Tim Chapman, Arup.**

Chair, ACE Transport & Mobility group.



# Transport & Mobility



## People

**Challenge:** Knowledge and specialisms are currently distributed across teams at all levels whether at the Department for Transport or at the Local Authority levels. To achieve better outcomes, those in the policy space should adapt to work more collaboratively. There is often an existing disconnect between policymakers' ambitions and the ability to enhance the detail around delivery.

**Recommendation:** Reform ways of working within the DfT to deliver an integrated approach to transport nationwide and bring together policy specialist from across the sector.



## Social value

**Challenge:** Social Value currently lacks a cohesive definition and is often not valued by the user or clients who can sometimes look for the most cost-effective way forward. With recent infrastructure projects, there has been a challenge between communicating the overall benefits and taking into consideration concerns by wider communities. Enhancing and improving an asset further increases its value to society, and work around social value is crucial to delivering this.

**Recommendation 1:** Renew and enhance existing infrastructure to boost social value and promote the benefits of doing so more widely to the user.

**Recommendation 2:** Deliver the Integrated Rail Plan in full, including HS2, to realise the economic and social benefits of these projects.

**Recommendation 3:** Ensure that larger-scale projects do not overshadow small schemes that continue to create social value.

**Recommendation 4:** Use the example of Freight as a way to communicate the importance of renewals and maintenance in enhancing the value of goods.

# Transport & Mobility



## Excellence

**Challenge:** As we embark on the decarbonisation of our transport systems, the importance of Active Travel is widely accepted as a key element to meeting this ambition. However, this is often overlooked owing to issues with demand management and the assessment of bids. There is also a gap around micro-mobility policy specifically for e-Bikes and e-Scooters.

**Recommendation 1:** Ensure the Active Travel Advisory Board seek to prioritise effective active travel infrastructure referring to the recommendations in the Cycling and Walking Plan and considering other forms of micro-mobility such as e-Scooters and e-Bikes.

**Recommendation 2:** Improve the integration of active travel in data around network use and demand management and actively promote this through an improvement in the assessment of bids.



## Innovation

**Challenge:** Innovation is key to unlocking new methods and technologies in the transport sector. There are a variety of challenges with a lack of clarity and confidence in relation to policy and accessibility to funding, to problems with having the physical space to test innovation. It is often not rewarded sufficiently and is more challenging for SMEs, in particular. Contractual issues can stifle innovation and there are ongoing issues around intellectual property.

**Recommendation 1:** Strengthen financial and practical incentives for innovation and ensure that these follow the rhetoric set in government strategy.

**Recommendation 2:** Drive forward collaborative research and development partnerships with organisations and within higher education, allowing for demonstrator projects or even pre-project simulations to allow businesses a safe space to experiment and test their innovations.

**Recommendation 3:** Advocate for a programmatic improvement approach to transport design by creating a route map in research gaps. Seek that promoted schemes enable these innovations to be trialled and embedded.

**Recommendation 4:** Provide clarity and confidence to innovate by simplifying contractual agreements and routes to access funding.





# Climate Change

In May 2019, the Committee on Climate Change (CCC) recommended that the UK should achieve Net Zero greenhouse gas emissions by 2050. A month later, this ambition was signed into law – making the UK one of the first major countries around the world to take such a step.

While the global pandemic has inevitably diverted our attentions in recent years, there is no doubt that climate change remains the defining challenge of our times. COP 26 and 27 highlight just how far we have to go to deliver on our ambitions and turn rhetoric into reality.

Our industry is uniquely placed to deliver solutions for many of the key challenges society faces during the transition – whether for buildings, roads, rail, and other forms of transport.

*“While the global movement on climate has shifted the dial on climate, we will need the practical and tangible solutions to meet political aspirations. As the designers of the built environment, our members are ideally placed to create and implement the solutions which will deliver our net zero future.”*

**Dr Sarah Prichard, Buro Happold.**  
Chair, ACE Climate Change group.



# Climate Change



## People

**Challenge:** There is an ongoing challenge when it comes to funding the skills to meet the needs of the green transition, whether this is in hiring experienced staff, encouraging the next generation, or retaining current expertise. As a high priority for the industry, we should be capitalising on the “move to green” to attract new people to our industry. There is also a need to upskill and spread knowledge on more general sustainability objectives.

**Recommendation 1:** Develop a Climate Emergency Skills Action Plan, aimed at recognising the importance of skills and training to support the green agenda, as well as lifelong learning.

**Recommendation 2:** Review, in collaboration with wider industry, the apprenticeship levy to strengthen opportunities to invest in the green skills needed for the future.

**Recommendation 3:** Scope the creation of a Climate Change Apprenticeship programme to enable companies and wider industry to develop the skills needed during the green transition and beyond.

**Recommendation 4:** Work to increase levels of Carbon/Climate change literacy to enable informed long-term, cost-effective and sustainable decisions and increase appropriate action to tackle climate change.



## Social value

**Challenge:** It is often the case that clients seek out the lowest cost option, meaning that social value can be an afterthought. In response, many parts of the industry are using the Value Toolkit to ensure better decision-making and influence pre-planning on projects. There is certainly a need to use similar tools to ensure climate-resilient approaches. The higher climate change and sustainable approaches are on the Government’s agenda, the more likely this is to be mirrored across the wider industry and private sectors.

**Recommendation 1:** Promote and evaluate the Value Toolkit to ensure, in light of reduced Government spending, projects are appropriately planned and delivered to ensure better value and climate resilience.

**Recommendation 2:** Promote the climate change agenda and ensure the UK take a strong leadership stance in this area going forward to enhance demand for social value and climate adaptability.



# Climate Change



## Excellence

**Challenge:** Excellence in this space has the potential to realise economic growth opportunities while achieving climate-friendly and sustainable solutions. However, specific issues related to the introduction and promotion of new or updated standards and guidance – including, but not limited to, PAS 2080, the Construction Playbook and Net Zero Building Standards. Inconsistency in planning authorities’ approach to Environmental Impact Assessments is also holding progress back.

**Recommendation 1:** Use PAS2080 to focus on the management of whole-life carbon during project delivery and enable whole-project value.

**Recommendation 2:** Evaluate the Construction Playbook in light of the green agenda and promote to wider industry.

**Recommendation 3:** National and Local Governments to clarify environmental assessments and develop a cohesive approach to what makes a good assessment and the scalability of this.

**Recommendation 4:** Consider approaches such as Part Z and Net Zero Building Standards.



## Innovation

**Challenge:** The industry needs the support, confidence, and clarity to innovate in the climate and net zero spaces. Not only does inconsistency in policies and an uncertain macro-economic climate provide a poor incentive to innovate, but it also reduces demand from clients for innovation. This lack of confidence feeds into a lack of investment and while grants are accessible, it is important these are clearly signposted to the industry. It is also the case that the current regulatory environment may sometimes lead to innovative approaches being seen as a last resort, so it is important to retain flexibility.

**Recommendation 1:** Provide a clear and stable policy platform, alongside funding for innovation which gives companies and industry the confidence it needs to innovate and to prioritise resilience and climate mitigation based-solutions.

**Recommendation 2:** Use flexible policy measures to incentivise the best way to meet climate objectives, and to avoid locking-in technologies that may become inefficient in future.

**Recommendation 3:** Review current regulatory practices and standards within the industry to ensure they allow for flexibility to use innovative climate-resilient approaches.



# Places

Delivering well-connected, socially valuable, and environmentally sustainable places is fundamental to our industry. The prize for achieving this is that communities across the UK will benefit from increased wellbeing, employment prospects, earnings, and educational attainment – as well as improving value flows and connectivity between these places.

The Levelling Up – or regional development – agenda has been a political priority, particularly with regards to places. While many may think of the post-industrial heartlands, the truth is that coastal, rural, and urban communities should all candidates to level up.

Government increasingly sees our sector as true delivery partners turning ambition into tangible change and improvements on the ground for communities.

With new funding opportunities unlocked thanks to the National Infrastructure Bank and the Levelling Up Fund, there are more opportunities to deliver levelling up projects and programmes than ever before. What has been lacking, however, way to turn this political enthusiasm into a series of project plans at local or regional levels.

***“Whether viewed as Levelling Up or regional development, the fact remains that, historically, opportunity has been unevenly distributed across the UK. Our members, who design and deliver our built environment, are key partners for government at all levels to deliver on political aspirations in this area.”***

**Peter Hogg, Arcadis.**  
Chair, ACE Places group.





# Places



## People

**Challenge:** As part of the Levelling Up agenda, skills has been identified as a crucial driver to bridge regional economic disparities. More plans are needed to increase local provision, such as training courses and apprenticeships. The lack of engineering and consultancy skills is particularly difficult for those working in local government affecting medium to long-term planning decisions.

**Recommendation 1:** Ensure that successful levelling up bids are linked to outputs that build overall skill levels in the places they are focusing on, alongside increasing skills and development opportunities for our members workforce.

**Recommendation 2:** Ensure that project outputs from National Infrastructure Bank activity are linked into increases into regional skills. This will be crucial for the Bank in achieving its goals and maximising its impact.

**Recommendation 3:** Reverse the decline in spending per head on Further and Higher Education (both for skills and maintenance), to give education the resources it needs to upskill the sector, particularly in 'left behind' places.



## Social value

**Challenge:** There is a lack of common language and understanding of Social Value, with no industry standard approach that can be adapted to a place based solution. Levelling Up Commissioners will need to be broader and bolder in their understanding of social value.

**Recommendation 1:** Ensure the National Infrastructure Bank strengthens social value metrics as part of its investments, including investments in climate mitigation projects.

**Recommendation 2:** Encourage engagement with the sector to develop new mechanisms to allow groups of authorities in different parts of the country to share resources, take advantage of economies of scale and share learning.

# Places



## Excellence

**Challenge:** The Construction Playbook has not been commonly adopted, which is holding back opportunities for better places. The sector needs common language, metrics and understanding of excellence, both in terms of project delivery and diversity of its workforce.

**Recommendation:** Ensure that local industrial strategies incentive developers to share best practice in terms of community engagement on major projects, as a driver of productivity and excellence.



## Innovation

**Challenge:** As a sector we need to be bold with clients to encourage innovation which will deliver better outcomes. We will need to work with our clients to “rebase” their appetite and perception of risk.

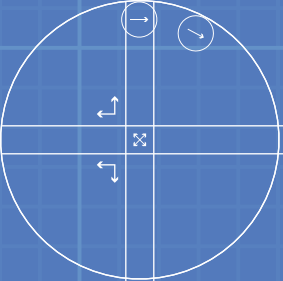
**Recommendation 1:** Work with agencies and the ONS to develop a measurement of placemaking and its link to productivity of a community and/or contribution to GDP.

**Recommendation 2:** Champion the use of sustainable and Climate resilient solutions as a way to strengthen placemaking.

**Recommendation 3:** Reduce the use of competition, tendering and ringfencing when allocating funding to regions and places. The current approach only advantages Local Authorities and regions with the resource to respond. More centralised funding gives more opportunities to our members to support those LAs that need it to encourage innovative projects and placemaking.

**Recommendation 4:** Encourage use of co-investment between public and private sector to grow investment in projects.





# Procurement

A strong pipeline of projects is fundamental to the long-term health of our industry. Through improving visibility and procurement practises more broadly, we can drive improvements, champion excellence, and deliver the high standards we expect across the built environment.

Through the Construction Playbook, attitudes and behaviours have shifted towards a stronger focus on value rather than cost, which has also been mirrored by private sector clients.

However, more action is needed to ensure strong implementation across sectors. We need to see a fundamental shift from cost to value, and procurement models which promote best practice right across the supply chain.

*“This isn’t just about having a strong pipeline of future projects. Improving how we procure is key to unlocking the social and environmental value of the projects our members design, deliver and manage.”*

**Neil Humphrey, Waterman Group.**  
Chair, ACE Procurement group.



# Procurement



## People

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**Challenge:** A key roadblock to the recruitment of people into the sector is the ongoing delay and confusion around major projects pipeline. Clarity of the pipeline will help make it an appealing sector to work in and plan a career pathway.

**Recommendation:** Strengthen and secure earlier publication of the infrastructure pipeline, giving companies and industry greater opportunities to plan for future resource requirements and upskill their workforce.



## Social value

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**Challenge:** The understanding amongst the client base varies with regards to social value. Producing a consistency of language and a commonly agreed set of metrics for measurement of social value outcomes will be key to solving this issue. Social value outcomes will be key to solving this issue.

**Recommendation 1:** Review PPNO620, ensuring our members and the broader industry can make it more effective, and that it is universally adopted.

**Recommendation 2:** Ensure rigorous implementation of the Construction Playbook across departments and provide a clear mechanism for companies and wider industry to share insights on challenges and opportunities.

**Recommendation 3:** Review the IPA pipeline and work with members and stakeholders to embed high quality social value outcomes as a business-as-usual result of projects.

# Procurement



## Excellence

**Challenge:** Whilst excellence underpins everything we do in the sector, the appetite for excellence is curtailed by commissioners' perception of, and appetite for, risk.

**Recommendation:** Produce a 'lessons learnt' report, led by the IPA, to assess major infrastructure projects and their delivery.



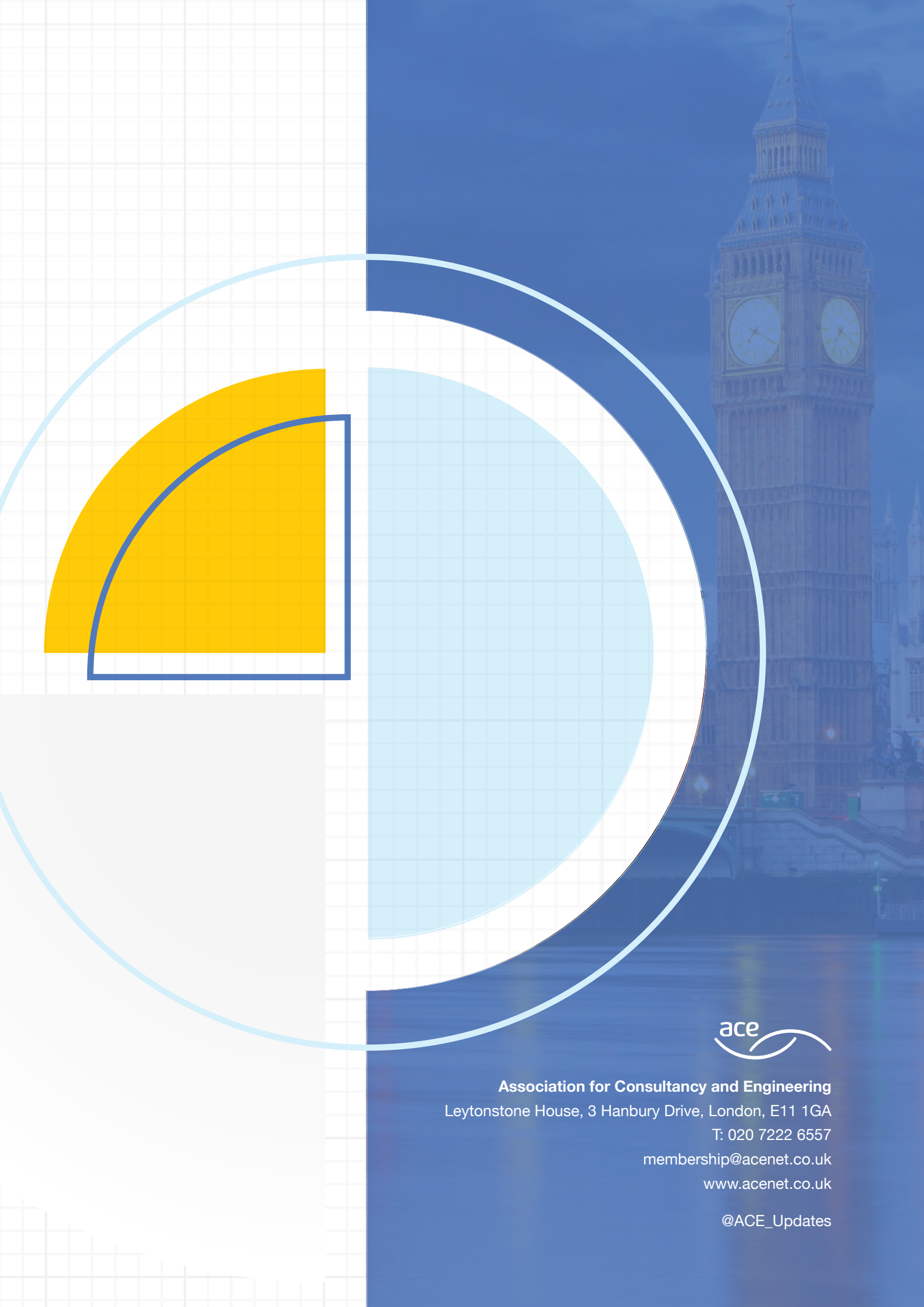
## Innovation

**Challenge:** Procurement is key to unlocking opportunities for innovative solutions to enter the market. Our industry has the solutions needed to many challenges faced by clients and the wider economy, but to do this we need to ensure adoption of standard tools and approaches such as the Construction Playbook.

**Recommendation 1:** Ensure 'procuring for value' becomes standard practice across the public sector, through effective implementation of the Construction Playbook, value toolkit and the Green Paper on Transforming Public Procurement.

**Recommendation 2:** Promote an outcomes-based appraisal of procurement processes.





**Association for Consultancy and Engineering**  
Leytonstone House, 3 Hanbury Drive, London, E11 1GA  
T: 020 7222 6557  
[membership@acenet.co.uk](mailto:membership@acenet.co.uk)  
[www.acenet.co.uk](http://www.acenet.co.uk)

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