The Rt Hon Nicky Morgan MP  
Chair of the Treasury Committee  
House of Commons  
London  
SW1P 0AA

Dear Nicky,

RE: NATIONAL INFRASTRUCTURE COMMISSION

Thank you for your letter dated 26 February 2019 regarding appointments to the National Infrastructure Commission (NIC) and how the approach compares to that taken for the Office of Tax Simplification (OTS) and the Office for Budgetary Responsibility (OBR).

While there are, of course, some similarities between the advisory roles of the NIC, the OBR and the OTS, there are some key differences which underpin the different processes for appointments to each body. The main difference is that the NIC has not been established on a statutory footing, whereas the OBR's contribution to the fiscal framework has been set out in legislation and the OTS was likewise placed on a statutory basis in Finance Bill 2016.

More broadly, I am satisfied with the high quality of the work the NIC has undertaken to date, including the comprehensive National Infrastructure Assessment published last year, and have no reason to believe that their current status inhibits their ability to effectively fulfil their objectives.

I remain of the opinion that ministers must be solely responsible and accountable for appointments to high profile posts unless there is a strong policy case for departing from this principle, and, as set out in my last letter, appointments to the NIC comply with the updated Cabinet Office Public Appointment scrutiny guidance. I am confident that NIC appointments are already subject to appropriate levels of scrutiny, and believe a pre-commencement hearing for the Chair with the Treasury Committee is sufficient and proportionate.

PHILIP HAMMOND