

# DE-RISK, INCENTIVISE, DELIVER

Funding UK Infrastructure for Growth



# Contents

Foreword	3
Key findings	4
Introduction	6
Research findings	7
Barriers to investment	12
Increasing investability	16
Cracking the funding model	19
Regional & place-based investment	20
De-risk, incentivise, deliver – building the business case	23
Key takeaways	27



# Foreword

The UK has reached a defining moment in its mission to boost the economy, unlock opportunities, and drive productivity through investment in infrastructure.

A ten-year pipeline spans national networks and utilities, urban development and hospitals, alongside ambitious housing targets: an unprecedented decade of infrastructure renewal that must be delivered at pace to meet targets and respond to an urgent need to drive economic impact.

At the heart of this national mission lies a strategy to boost regional investment, set out in local growth plans that present long-term visions for people and priorities that align with the national industrial and infrastructure strategies and act as delivery mechanisms for national infrastructure priorities.

This place-based approach will drive the demand for the infrastructure that is delivered in the next decade and, from industrial zones to urban regeneration, their success will be measured by their ability to act as catalysts for place-based growth and social progress in all four corners of the country.

## Making it happen

This long-term strategy, combined with a wave of planning and regulatory reform, has sent positive signals to the market and greater certainty to sectors and supply chains. But the fundamental question remains: how can we attract the levels of private finance needed to fund and deliver infrastructure renewal at the pace and scale required?

Part of the answer can be seen in recent government initiatives focused on securing the £3 of private capital that government aims to unlock for every £1 funded by the public purse; the creation of the National Wealth Fund, reforms to unlock capital from pension funds and a renewed focus on public-private partnerships all point to a more dynamic, partnership-driven approach.

This new era of collaboration is critical in creating attractive plans, acceptable risk profiles and solid business cases: early integration of finance, project and delivery organisations underpins the viability of programmes, from funding and contract frameworks to pathways for delivery.

This research seeks to understand the perspectives and requirements of those institutional investors the UK seeks to attract. It provides a pulse-check on investor sentiment and gauging whether this wave of initiatives moved the dial on infrastructure investment.

The responses reveal current attitudes towards UK infrastructure are positive and there is a clear window of opportunity for the UK to act. However, this opportunity will only be realised if the barriers identified within the research can be overcome to de-risk programmes, incentivise finance and create investable plans for delivery.

Integration and collaboration are key themes throughout this report: by working closer and earlier together, public, private, and financial organisations can deliver better outcomes to both the communities benefiting from better infrastructure and those funding it.

AtkinsRéalis is proud to play a role in this evolving landscape, sharing our experience in planning, funding and delivering projects in the UK and internationally to help shape investable, deliverable programmes and work in partnership to unlock economic growth and social opportunities across the country.

## Chris Ball

President  
UK & Ireland  
AtkinsRéalis





# Key findings

## A window of opportunity

90%

ranked the UK as an attractive destination for investment in the next three years

71%

see UK infrastructure projects as a low-medium risk investment option

65%

are currently committed to investing in UK infrastructure...but just **19%** would prioritise the UK over other regions

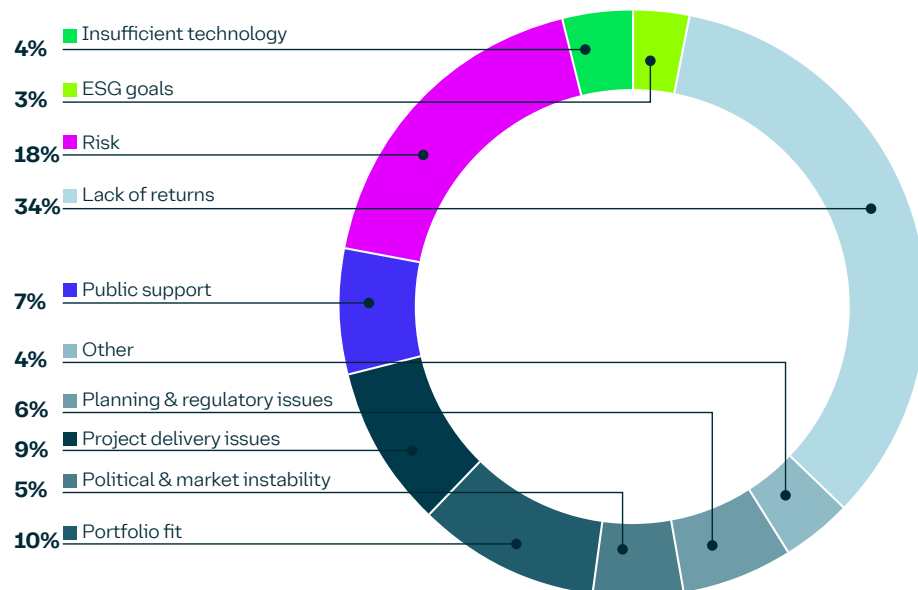


Planning and regulatory reform seen as the most impactful action taken by Government to improve investability

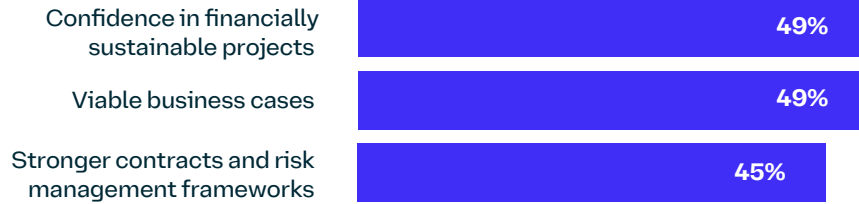
## Increasing investability

64%

Nearly two-thirds of investors have **walked away from UK infrastructure projects** because the business case didn't stack up



Highest ranked factors that would encourage investment:



## Funding innovation

37%

cited the need for Public-Private Partnerships (PPPs) to incentivise investment

30%

are very willing to pilot new funding models

38%

prefer to invest in early stages of projects to influence design and operations

37%

also value the importance of developing strategic partnerships

## Regional & place-based investment



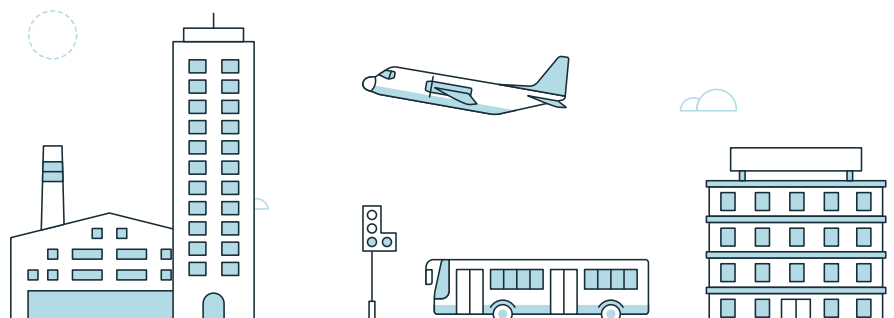
Clarity on regional pipelines, alignment with national goals, data and confidence in well-executed delivery will move the dial on investability into local growth plans

79%

Of investors are interested in regional growth programmes

34%

Are actively exploring investment options



# Introduction

The UK government has placed infrastructure at the heart of its mission for economic growth and opportunity for all. It has established an ambitious pipeline of projects at a national, regional and local level with £725 billion of public funding committed to help deliver on the 10-year infrastructure and industrial strategies.

Regional, place-based programmes are core to delivering on these strategies: investment in transport links, housing, social infrastructure and industry will build the foundations for thriving communities and stronger economies across the UK, but strategy must shift into delivery swiftly to deliver on this national mission for economic growth and opportunity for all.

Bridging the funding gap to deliver this decade of renewal requires substantial capital from private finance. Creating the right conditions to incentivise investment and shift programmes into delivery is now a national imperative, and the last year has been characterised by new government initiatives to do this, from planning reform and pension fund pledges to back British projects to National Wealth Fund now aiming to mobilise £3 of private finance for every £1 it invests.

Gauging investor attitudes to UK infrastructure offers a snapshot of sentiment following this concerted effort. This research - conducted amongst major institutional investors in UK infrastructure and real estate - also identifies barriers to investment and actionable insight that could help more projects build stronger business cases to unlock investment, faster.

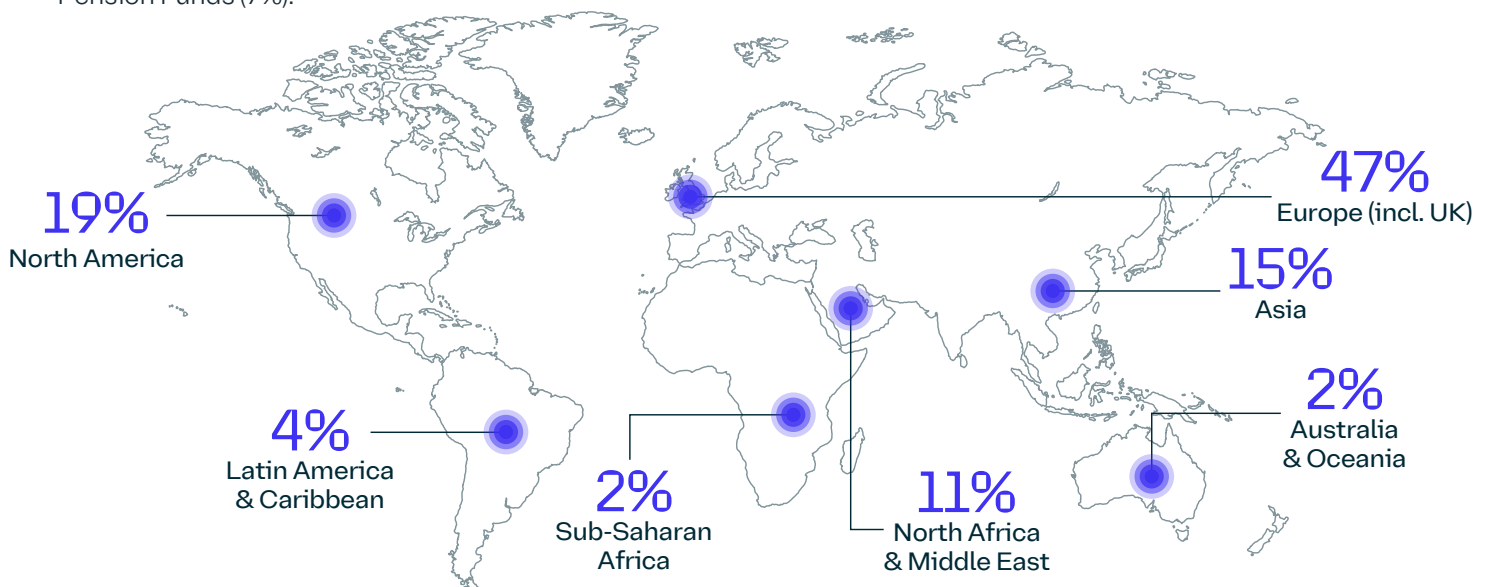


# Research findings

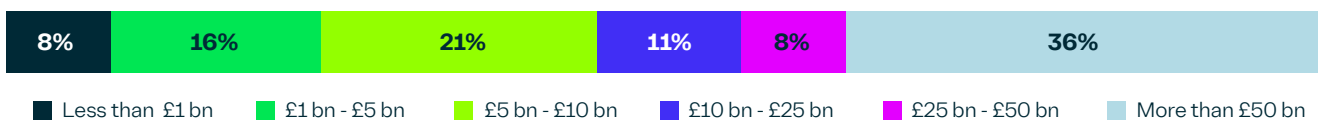
Over 100 institutional investors actively investing in UK infrastructure were interviewed for this pulse check, with the majority based in the UK & Europe (47%), followed by North America (19%) and Asia (15%)<sup>1</sup>.

More than a third of respondents held assets under management of £50bn or higher, across Private Equity firms (33%), Banks and Investment Banks (28%), Life Assurance (17%), Infrastructure Investors (15%) and Pension Funds (7%).

The respondents reflected the range of capital investors interested in UK infrastructure as well as the diverse range of portfolios needed to fund such a broad pipeline of projects: respondents' interests span core infrastructure such as transportation, utilities and energy to emerging digital infrastructure such as data centres, along with real estate portfolios covering residential, commercial property and urban regeneration.



## Value of Assets Under Management (AUM)



## Type of institution



Private  
Equity  
**33%**



Bank/  
Investment Bank  
**28%**



Life  
Assurance  
**17%**



Infrastructure  
Investor  
**15%**



Pension  
Fund  
**7%**

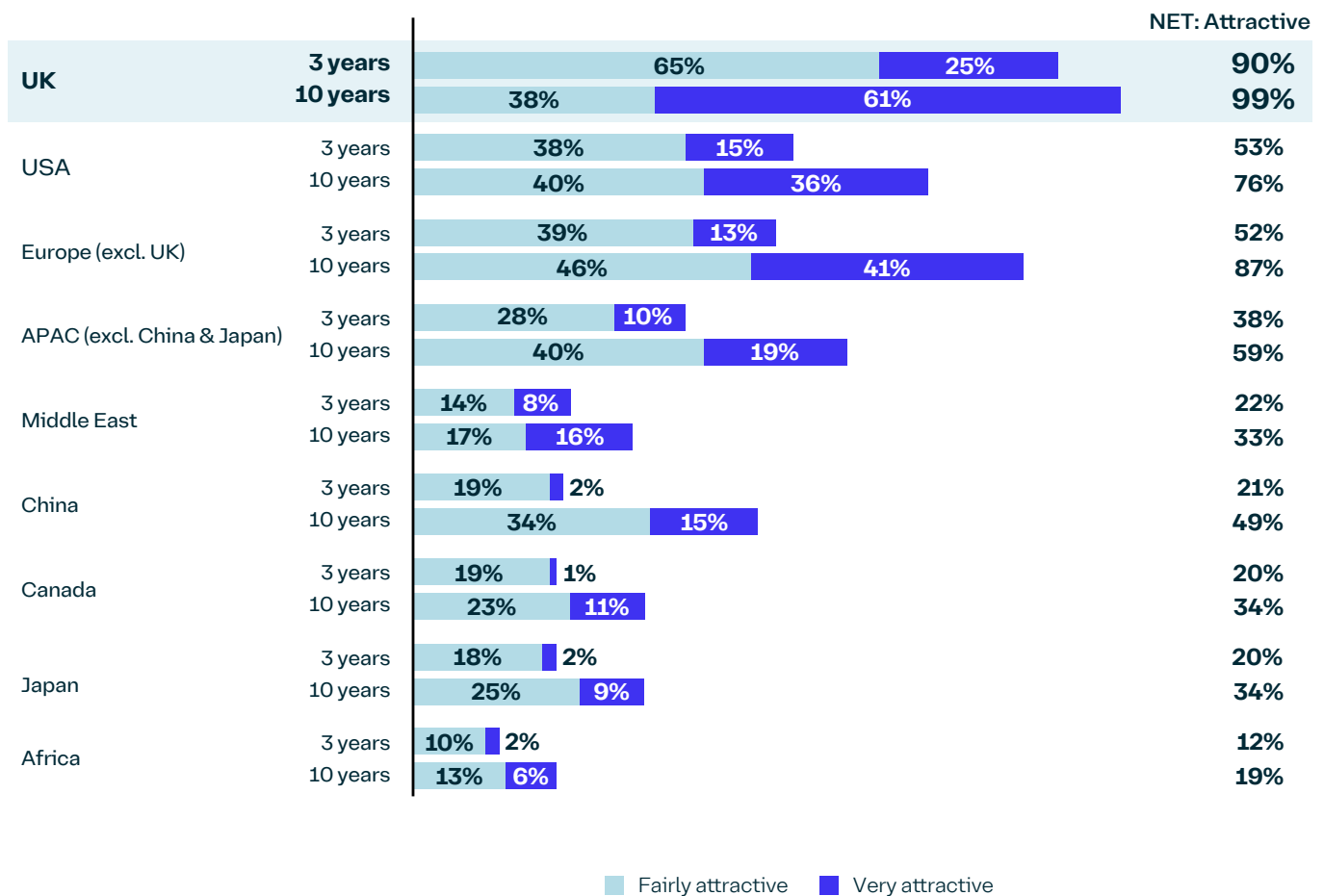
<sup>1</sup> 100 CATI telephone interviews and 5 in-depth interviews were conducted by global market research company Savanta in October 2025 on behalf of AtkinsRéalis

## A competitive edge: how does the UK compare?

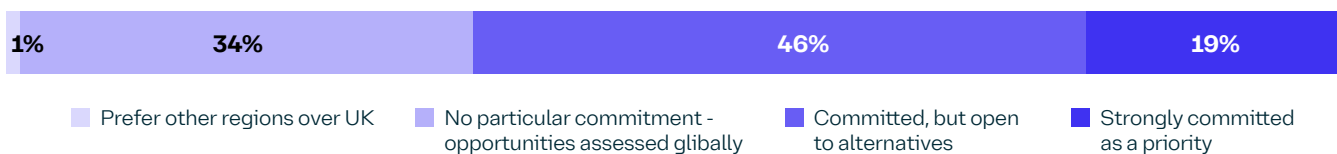
Competition for capital is fierce - countries around the world are seeking to incentivise investment to fuel long-term programmes of infrastructure development. 90% ranked the UK as an attractive destination for investment in the next three years, significantly higher than any other country or region ranked by respondents.

Nearly two thirds (65%) are currently committed to investing in UK infrastructure compared to other regions, but absolute commitment at the time of the research was limited: just 19% of investors shared they strongly prioritise the UK over other regions.

### Attractiveness of markets as a destination for future investment



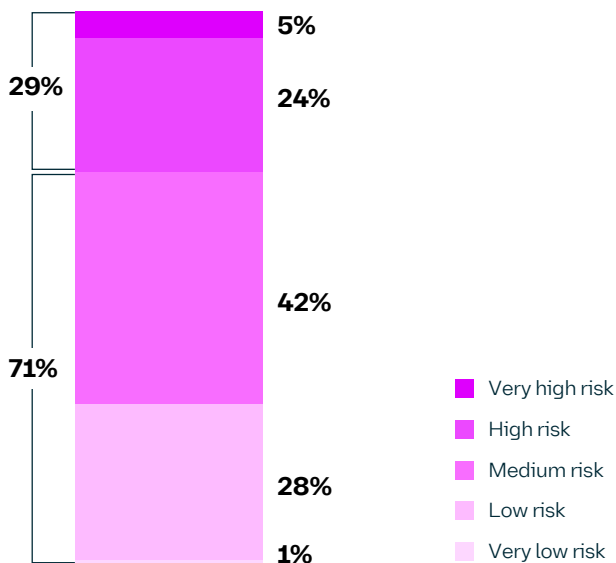
### Commitment to UK infrastructure investment







### Perception of risk of UK infrastructure investment



71% of investors deemed UK infrastructure to be low-to-medium risk. A combination of strong policy signals and stability alongside global geopolitical factors has created a wave of favourable appetite amongst investors today.

However, whilst net attractiveness of UK infrastructure rises to 99% in the next ten years, a longer timeframe for investment revealed a levelling out of attitudes: there was also a significant uplift in the attractiveness of the US, other European nations and across Asia-Pacific, narrowing the large lead the UK currently has for investment according to this feedback.

This short-term preference indicates a clear window of opportunity to crowd in private finance while the UK offers a level of stability and predictability not currently universal in the eyes of institutional investors.

## Has the UK moved the dial on investment conditions?

The last 15 months have seen a steady stream of positive signals from national and local governments in the UK to create a favourable investment environment. Action to streamline planning along with the publication of long-term strategies, the creation of national infrastructure and housing banks and a commitment to create fiscal devolution for Mayoral Combined Authorities have all contributed to this creation of a framework for investment – but have these measures moved the dial?

When asked to rank which measures have the greatest impact on investability of UK infrastructure, investors repeatedly acknowledged the role of planning reform and regulation in providing certainty through clear rules and faster approval. Around half of respondents cited funding for infrastructure projects as a significant factor, and a third of investors prioritised reforms to funding models, such as new forms of public-private partnerships and a review of the Green Book model to assess projects for funding.

The creation of credible financial mechanisms is the next stage of the Government's efforts to incentivise investment and it is clear they will play a pivotal role in sustaining or deterring flows into the UK versus other markets.

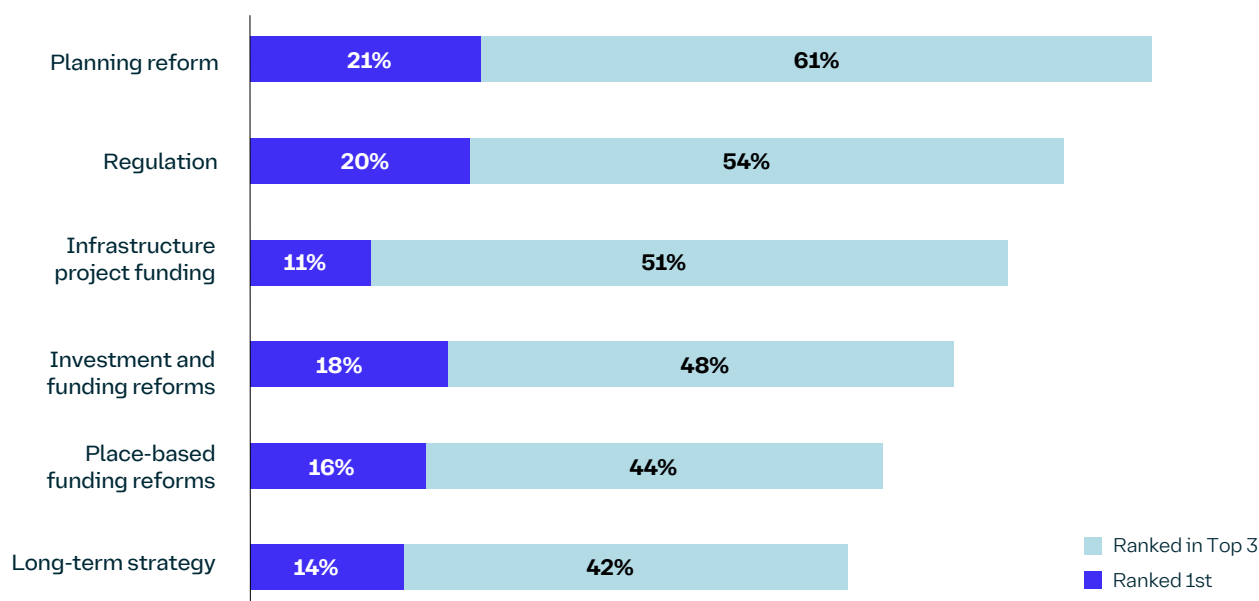
"The UK government can encourage private investment by streamlining and clarifying planning and permitting processes, reducing delays and uncertainty while improving coordination to make infrastructure projects more predictable and appealing to investors"

- Pension fund, Spain, £5bn-£10bn

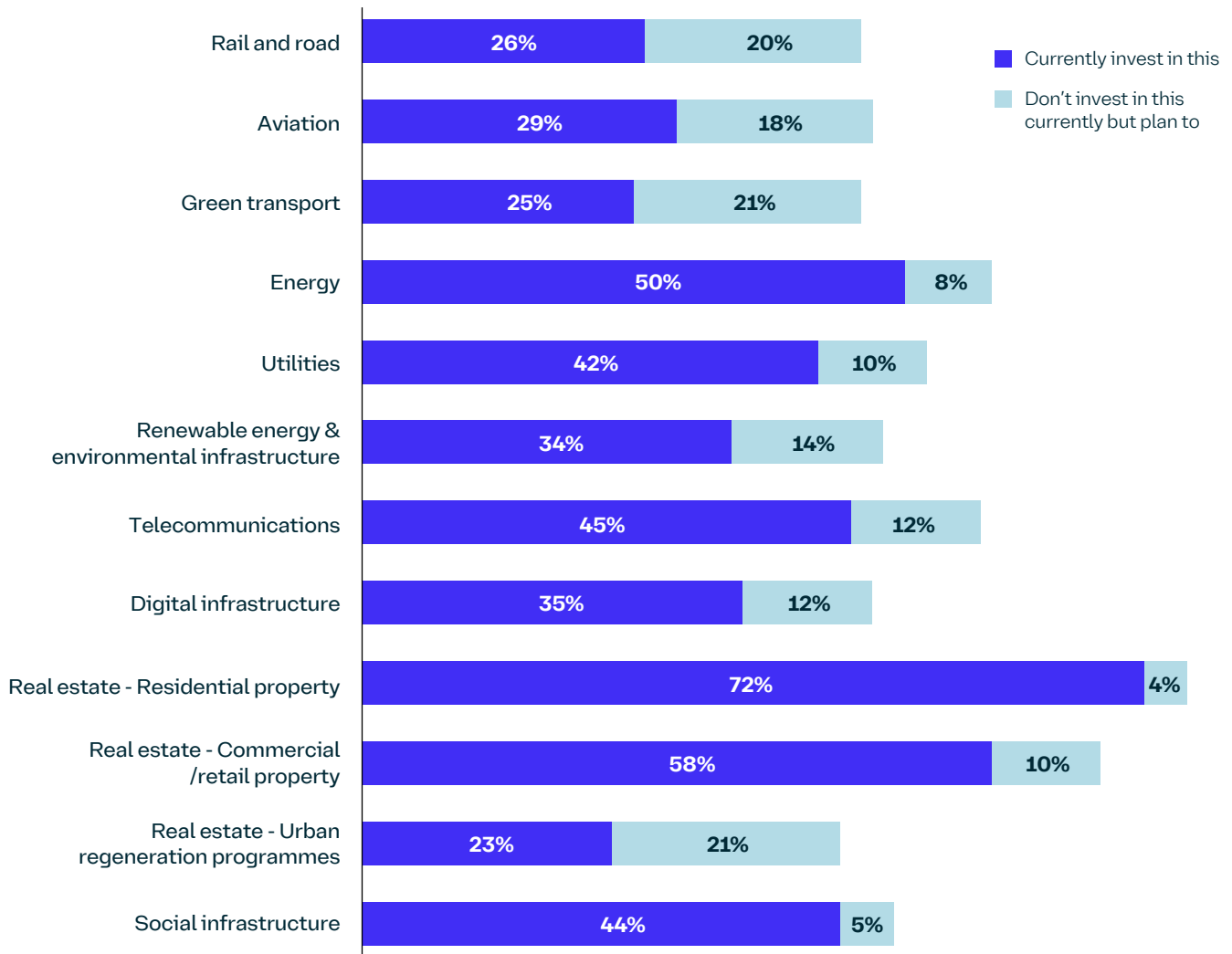
"The UK government should provide steady, consistent policy and long term planning, so investors are not deterred by the risks of sudden policy reversals"

- Pension fund, UK, £25bn-£50bn

## Government measures that have a positive impact on UK infrastructure investment



### Organisations' current approach to investing in different types of infrastructure



A pulse check on investors' current approach to different types of infrastructure also reveals how investor focus is shifting in the UK market. Just over half of respondents (56%) currently invest in so-called 'emerging' infrastructure, including renewable energy and digital infrastructure and several noted these projects are increasingly viewed as 'core' infrastructure, driven by the explosive growth of data centres for AI and the need for resilient energy systems.

Amongst real estate investors, a fifth plan to invest in urban regeneration, almost doubling the number currently investing in these types of projects. The centrality of urban regeneration to many regional growth programmes means new approaches may be needed to incentivise investment in projects aimed at improving city and town centres across the UK.



# Barriers to investment

Despite the positive sentiment, private capital is not yet flowing freely into the UK at the scale required to deliver on short term targets and longer term missions.

## Why Investors Walk Away

Nearly two-thirds (64%) have walked away from UK infrastructure projects because the business case failed to stack up.

Concerns about adequate returns were cited by a third (34%) of investors. Many highlighted the high upfront capital requirements of infrastructure and the extended timeframes before returns materialise. Some (10%) also pointed to a poor portfolio fit with some projects, often reflecting misalignment with either investment mandates or strategic priorities.

### The main reasons a business case is unappealing or insufficient for investors

#### Risk 18%

**"Infrastructure that cannot be easily changed or expanded may become outdated, making it less attractive for our organisation to support or invest in"**

– Private equity, United States, £10bn-£25bn

**"Without a clear asset management strategy, long term maintenance and upgrades are overlooked which affects operational sustainability and highlights the need for a strong lifecycle approach for lasting success"**

– Private equity, UK, £50bn+

#### Public support 7%

**"If a project negatively impacts the environment or lacks sustainability, it may face public criticism and legal challenges, which could discourage our interest in moving forward"**

– Infrastructure investor, UK, £10bn-£25bn

#### Project delivery issues 9%

**"Lack of strong oversight or poor project management can create doubts about whether the project will be done properly and perform well in the long run"**

– Infrastructure investor, Malaysia, £10bn-£25bn

#### Portfolio fit 10%

#### Insufficient technology 4%

#### ESG goals 3%

#### Lack of returns 34%

**"A business case may be less attractive if it demands high upfront investment, especially when the expected benefits are not clearly guaranteed"**

– Infrastructure investor, Luxembourg, £1bn-£5bn

**"If the business case doesn't clearly show realistic returns, shareholders may hesitate. Unclearly or overly hopeful estimates reduce trust, and we need solid financial benefits to support the investment"**

– Private equity, UK, £500m-£1bn

#### Political & market instability 5%

**"Changes in regulations and approval processes create confusion and unpredictability, making it harder for us to plan securely and increasing the chances of project delays or failure"**

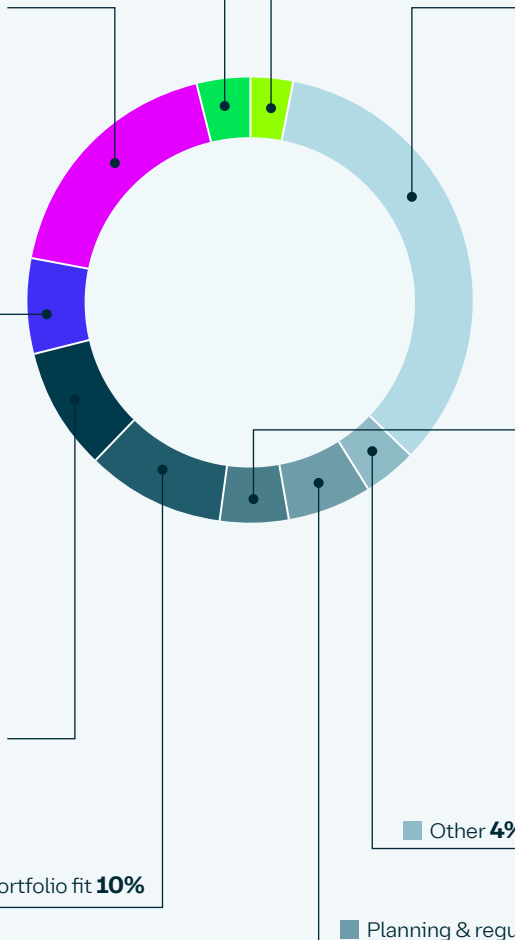
– Bank / investment bank, UK, £50bn+

**"Frequent updates to laws, planning rules or environmental standards can create uncertainty, and make long term projects feel less secure"**

– Life assurance, United States, £1bn-£5bn

#### Other 4%

#### Planning & regulatory issues 6%





Risk emerged as the second most prominent concern. Alongside lengthy approvals and the potential for cost and schedule overrun during development, investors also highlighted the risk of unforeseen operations and maintenance costs, poor performance and an asset's potential to become redundant. In a similar vein, 6% raised planning and regulatory issues, underscoring how bureaucracy and slow approvals can deter investment, while 9% flagged concerns with project delivery. This all points to a need to provide greater assurances, better delivery vehicles, stronger frameworks and clearer outcomes at planning and procurement stages to mitigate risks and plan across the lifecycle of an asset.

Together, these findings reveal that although financial returns and risk currently dominate investor caution, a complex web of operational, strategic and regulatory factors also weighs on appetite for private investment in UK infrastructure, many of which can be addressed or mitigated at business case level.

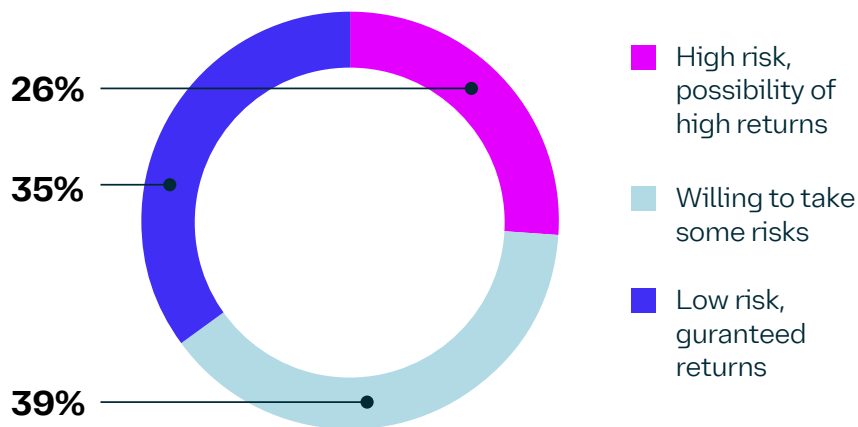
## Risk review

UK infrastructure investors are currently cautious but not risk averse when it comes to assessing projects, mirroring their views on the UK more generally as a medium-low risk destination for investment.

Around a third (35%) prefer guaranteed returns from projects, but 39% were willing to take calculated risks and a quarter (26%) were willing to bet on business cases that could deliver high returns.

Investor portfolios and broader benchmarks set by individual institutions undoubtedly determine risk appetite, however the research also investigated the impact of investment stages and their relative risk profiles.

## Appetite for risk development in UK

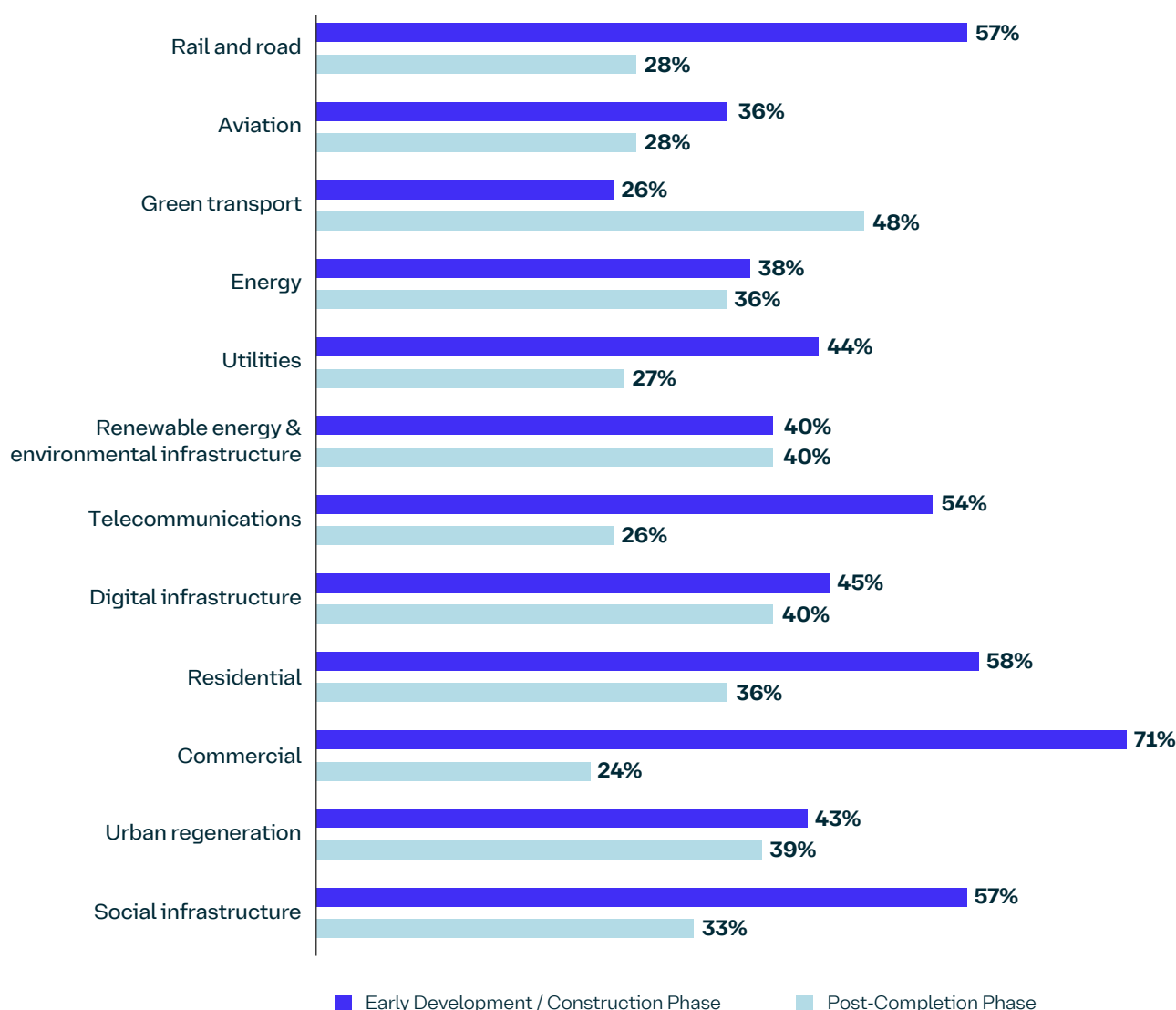


## Investment stages

Infrastructure investment strategies typically fall into two categories: early-stage investment involves financing and constructing new projects from the ground up – presenting higher development and regulatory risks while providing opportunities for greater returns. Post-completion investment focuses on acquiring and managing existing operational assets that offer lower development risk, a proven track record and predictable cash flows.

The UK's 10-year infrastructure pipeline includes a broad range of both categories, from the construction of new developments, expanded networks and emerging infrastructure to the upgrade of strategic rail links, strengthening the resilience of water infrastructure and major maintenance programmes in health and social care estates.

### Typical investment stage for different types of project



Respondents favouring post-completion phase value operational familiarity (45%), long-term income (41%), past performance (39%), and predictability (37%).

However, early-stage investment was still deemed to be attractive when supported by incentives and clear alignment with government policy (43%) as well as an organisation's own mandate or vision (40%). Respondents also noted long-term benefits offered by these assets: 37% acknowledged the value of building long-term partnerships with developers and 38% noted the attractive opportunity to shape and influence design and operational phase of a project by investing early in the process.

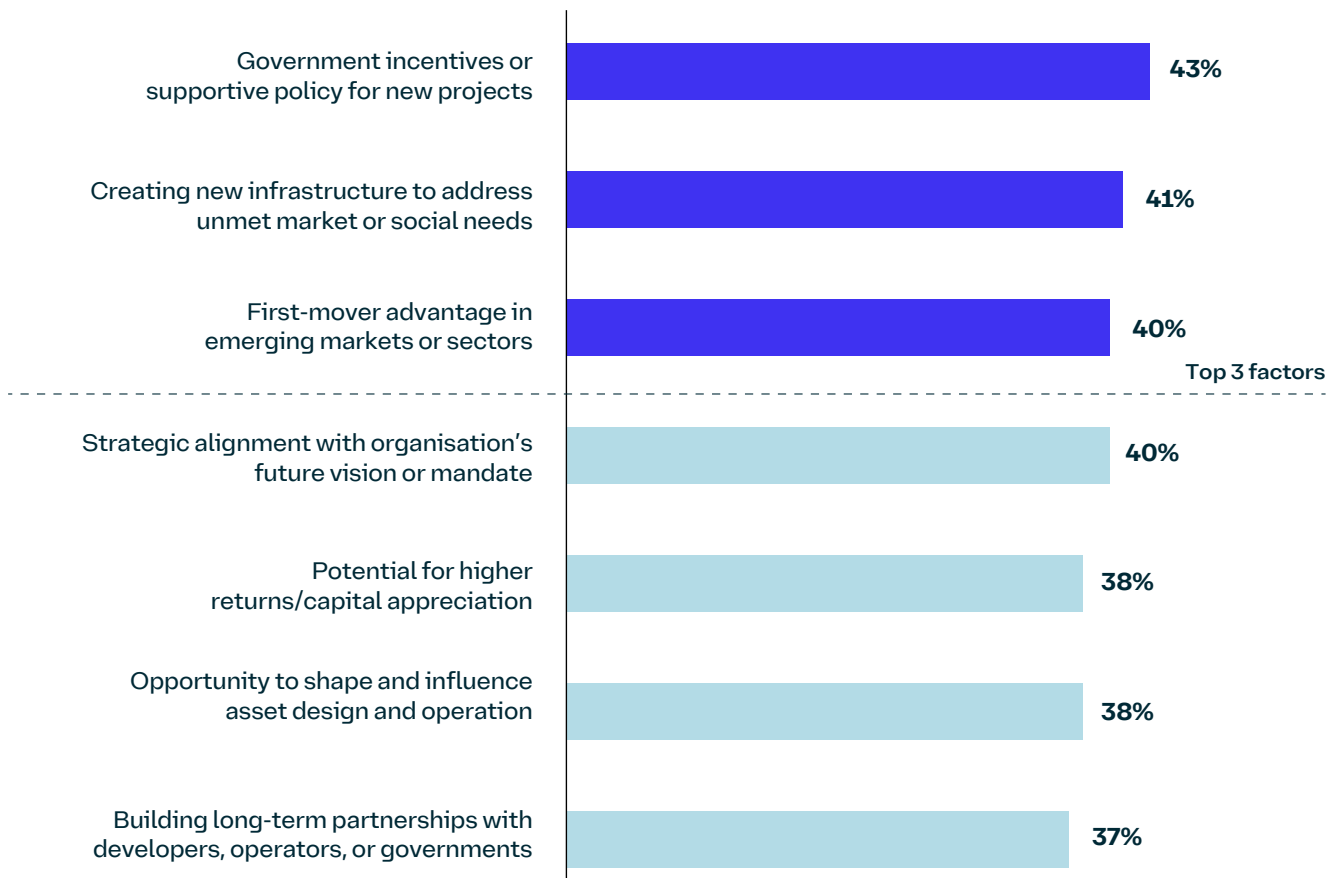
"Significant upfront costs can stretch financial capacity, making projects less attractive unless the expected returns are compelling"

– Infrastructure investor, Netherlands, £50bn+

"Reinvesting in existing infrastructure upgrades the features and increases dependability, thereby making related projects more appealing"

– Private equity, Indonesia, £500m-£1bn

### What attracts organisations to early entry investments



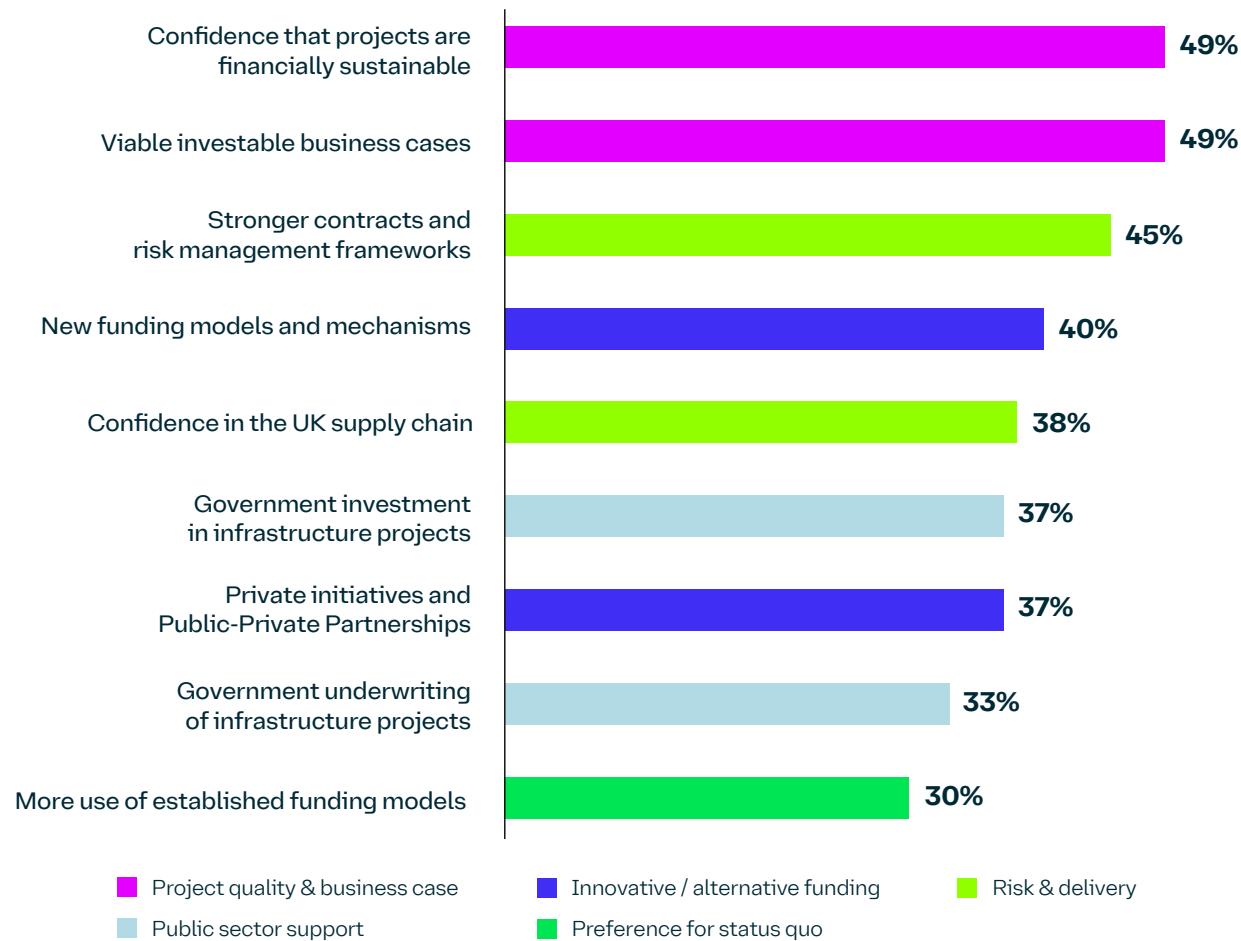
# Increasing investability

Addressing risk, adopting new funding approaches and clear government support are all key to unlocking investor support. When asked what factors would encourage them to fund UK projects, around half (45%) want to see stronger contracts and risk management frameworks, while similar numbers are seeking confidence that projects are financially sustainable and have viable business cases.

Others seek more direct government action: 37% want to see more government investment, whereas 33% would seek government underwriting to reduce risk and make an infrastructure project more attractive.

New funding approaches are critical too: 40% want new funding models and mechanisms while over a third (37%) want new forms of blended finance such as public-private partnerships.

## Factors that would encourage investment in UK infrastructure





## Confidence in delivery

There is a clear role for private organisations in improving investability. Better contract models, supply chain confidence and the credibility of delivery plans all depend on a broader network of capable project partners across public and private.

“Bringing in private sector input early in infrastructure helps ensure commercial viability and leads to better project outcomes through collaboration”

– Bank / investment bank, UK, £50bn+

“Clear design and budgeting early on prevent cost overruns, reduce uncertainty and make investors feel more secure”

– Life assurance, UK, £50bn+

## Actionable insight

Building on the key factors to improve investability, respondents were also asked for specific examples of measures that would increase confidence to invest. This deeper dive reinforces the preeminence of funding and risk: a quarter (25%) reiterated the need to improve finance mechanisms and incentives.

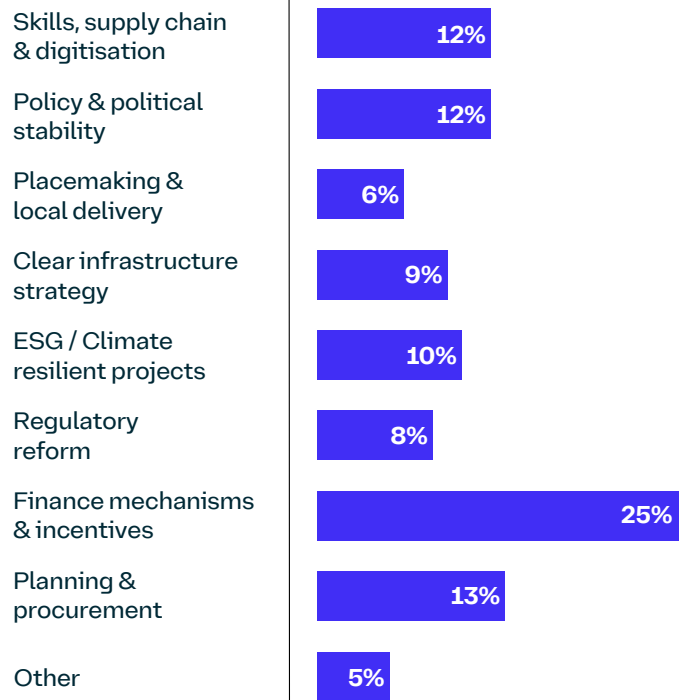
Beyond funding, investors identified systemic barriers such as the need for planning reform and to streamline procurement, alongside regulatory reform (8%) – including measures to encourage foreign investment and simplify land acquisition.

A stable political and policy environment, coupled with the value placed on maintaining a long-term infrastructure strategy and transparent pipeline underscored investors’ need for predictable, consistent frameworks that extend beyond electoral cycles.

Industry capability again featured prominently, with 12% reiterating the importance of developing confidence in the UK’s supply chain and the availability of resources to deliver projects.

Technologies such as AI in planning were also highlighted as key to effective delivery. 6% emphasised the importance of resources, powers and mechanisms to enable successful delivery on regional programmes. 10% of investors also highlighted the identification of projects that align with specific ESG mandates and a preference for climate-resilient projects within their portfolio.

## Investor feedback: what actions would mobilise private finance



## Investor feedback: what actions would mobilise private finance

### Policy & political stability 12%

**"The UK government should provide steady, consistent policy and long term planning, so investors are not deterred by the risks of sudden policy reversals"**

- Pension fund, UK, £25 bn - £50 bn

**"Investors want stable policies that don't change with every government, and long term plans with cross party support help reduce political risk and build lasting confidence"**

- Saudi Arabia, bank / investment bank, £25 bn - £50 bn

### Skills, supply chain & digitisation 12%

**"Building up a strong, skilled workforce and ensuring future staffing needs are met makes the infrastructure market more appealing to private investors and spurs greater financial commitment"**

- Life assurance, Italy, £50 bn+

**"Using AI and data tools helps improve planning and efficiency, while also giving investors better insights into risks and performance, making infrastructure projects more attractive"**

- Bank / investment bank, Qatar, £1 bn - £5 bn

### Placemaking & local delivery 6%

**"Equipping local councils with the necessary resources, expertise, and legal backing to participate in infrastructure PPPs can unlock regional funding"**

- Bank / investment bank, Kuwait, £50 bn+

### Clear infrastructure strategy 9%

### ESG/climate resilient projects 10%

**"Investing in climate resilient infrastructure lowers long term risks and makes projects more sustainable and appealing to cautious investors"**

- Private equity, UK, £50 bn+

### Other 5%

### Planning & procurement 13%

**"A business case may be less attractive if it demands high upfront investment, especially when the expected benefits are not clearly guaranteed"**

- Infrastructure investor, Luxembourg, £1 bn - £5 bn

**"If the business case doesn't clearly show realistic returns, shareholders may hesitate. Unclearly or overly hopeful estimates reduce trust, and we need solid financial benefits to support the investment"**

- Private equity, UK, £500m - £1 bn

### Finance mechanisms & incentives 25%

**"Giving special status to key projects and fast tracking their approvals can speed up progress and attract more investors"**

- Private equity, Brazil, £5 bn - £10 bn

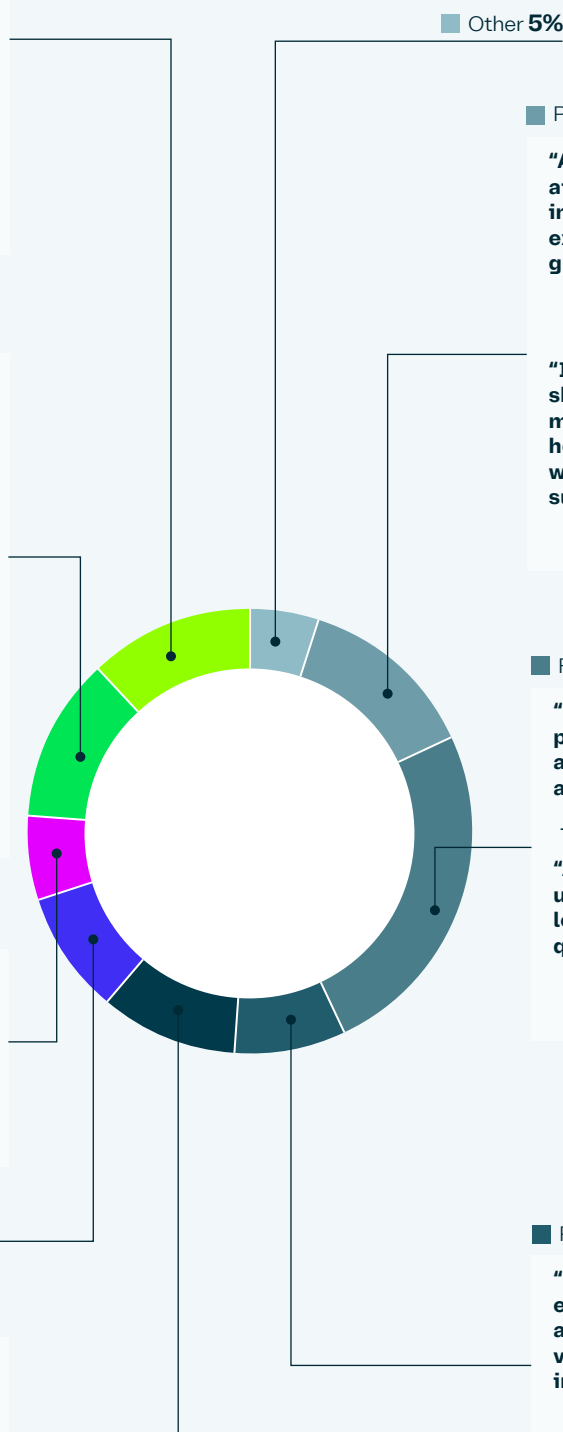
**"Approval delays raise costs and uncertainty, so faster planning and less paperwork can make projects quicker and more investor friendly"**

- Pension fund, Germany, £25 bn - £50 bn

### Regulatory reform 8%

**"Making foreign investment rules easier and offering incentives can attract global investors, who bring valuable expertise and scale to UK infrastructure"**

- Private equity, United States, £50 bn+



# Cracking the funding model

Appetite for funding innovation is relatively high: 30% of investors are very willing to pilot new models, and 48% would participate if rewards outweighed the risks.

As Government explores new blended finance initiatives, it is useful to gauge feedback on what makes a successful Public Private Partnership, from risk-sharing to well defined roles and accountability.

## Investor feedback: Successful PPPs rely on clear risk-sharing, robust roles & transparent partner roles

Robust, enforceable agreements					<p>"Robust criteria – would have to be <b>airtight, legally binding and legally enforceable.</b>"</p> <p>"<b>Investment is about trust.</b> If you can't be sure about it, there's much easier ways to make money."</p>
Role of public sector: de-risk and enable					<p>"It's the government's prerogative to provide the basic infrastructure the public needs... <b>You help me take some part of your risk.</b> But in return, I'm going to need a perpetual stream of returns..."</p> <p>"If there's significant delays because of regulation, the <b>government needs to be prodded in a way</b> to provide an incentive that reduces the risk through structured finance solutions or revenue sharing."</p>
Guarantees, risk-sharing & flexibility					<p>"A guaranteed price... we have the upside but not the downside. Loss ratio is very important... <b>if there are ways to structure deals using guarantees but also government money.</b> Why not?"</p> <p>"PPPs are a very good thing for both sides but it depends how <b>secure the process of making a deal is and how quick</b> it is."</p>
Clear governance, exits, and partner roles					<p>"We need to know <b>exactly what the guarantees are, who's making the decisions, how the asset will be managed, and what our exit options are</b> at maturity. Clear governance and a well-defined exit route are essential."</p>
Appetite for securitisation & innovation					<p>"We will <b>join up with other lenders</b> but I think that's more like private sector securitisation moving risk away from banks."</p>

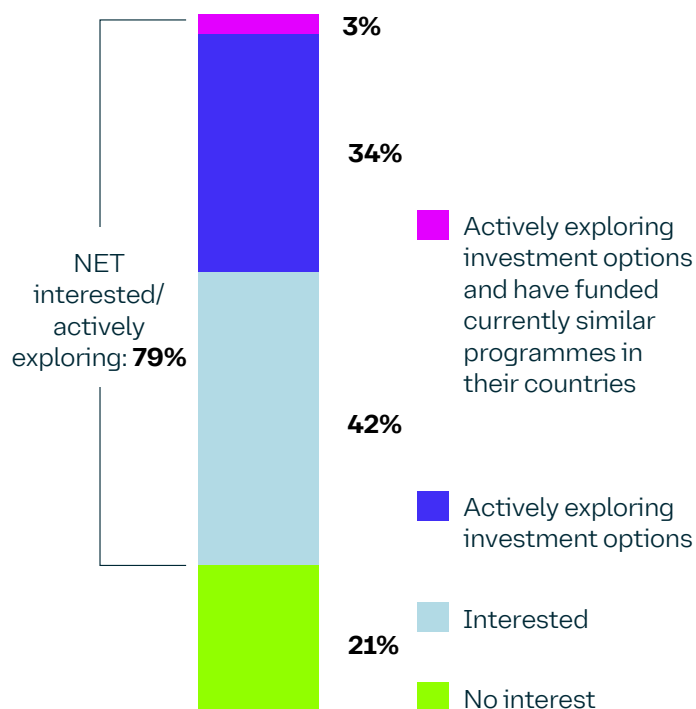
## Regional & place-based investment

Regional and place-based investment programmes are pivotal in delivering tangible impact to communities across the UK at pace. Alongside devolved government strategies and initiatives around opportunities in Wales and Scotland, regional Mayors are spearheading Local Growth Plans for England. These long-term visions set out ambitious goals for regeneration and development, aligned to the national infrastructure and industrial strategies - collectively driving the demand for new infrastructure. The success of these place-based prospectuses will depend on their ability to secure substantial private finance – gauging investor sentiment is vital to ensure business cases align with appetite and address any barriers for investment.

### The potential of place-based investment

Nearly all (98% of) investors were aware of regional growth programmes, with around four fifths (79%) interested in investment options around them and a third actively exploring options in the UK (34%). Just 3% had similar programmes within their wider international portfolio, suggesting a strong potential for the UK to position regional growth as an opportunity for early mover advantage.

### Interest in regional growth programmes



### Unlocking regional investment

Detailed feedback on current appetite to invest created two distinct profiles around regional growth:

#### The Receptive Investor

Regional hubs **make long-term sense** - if executed well with world-class infrastructure.

**Fosters a growth environment** (employment, GDP, business decentralisation) which supports both investor and national outcomes.

**Pooling capital and multi-asset structures are viewed positively** - provided risks are clear, credit ratings are robust, and the diversification matches fund strategy.

#### The Cautious Investor

Sees 'levelling up' as more political than practical, with delivery to date failing to inspire confidence.

Will only follow if government leads - visible public co-investment and targeted incentives are essential – as well as tangible data and success stories.

Regional programmes haven't structurally changed investment strategy – relies on relationships, scale, and data quality in target locations.



A number of key themes stand out as factors that will mobilise finance into regional plans, including the need for clear alignment between local and national priorities, local and socio-economic impact, clarity on finance initiatives and a portfolio approach to investment programmes.

### Clear alignment, local impact, and public partnership make regional growth programmes stand out

#### Aspects of UK regional growth programmes that would make them attractive



In their feedback, investors acknowledged the importance of access to the right knowledge and resources to create strong business plans, as well as mechanisms to drive the funding and delivery of projects. This reinforces the importance of public-private delivery vehicles such as Mayoral or Locally-led Urban Development Corporations with designated powers around planning and land purchase to streamline programmes, create more attractive investment propositions and with the ability deliver change at pace.

“The government should define national infrastructure goals while allowing regions to tailor projects to their local strengths, ensuring they are relevant and supported by the communities they serve”

– Bank / investment bank, UK, £50bn+

Building confidence in local capabilities and processes will be important: respondents acknowledged their experience of local bureaucracy as a barrier to invest, from perceptions of slow planning and difficulty securing approvals to the pace of local government.

“Setting up local investment platforms can help find good opportunities and bring funding to areas that need it most”

– Infrastructure investor, UK, £5bn-£10bn

“Local governments can unlock regional funding by being properly resourced and legally empowered to engage in infrastructure partnerships”

– Bank / investment bank, Canada, £10bn-£25bn

Mirroring those post-completion stage investors who prioritised past performance, predictability and familiarity of projects (p14), a lack of success stories, data points and benchmarking were all given as obstacles to overcome for regional programmes to secure capital.

“Sharing clear data on infrastructure performance and demand helps investors feel more confident by improving forecasts and reducing risks”

– Life assurance, UK, £5bn-£10bn



# De-risk, incentivise, deliver – building the business case

The message from investors is clear: the UK has a window of opportunity to secure institutional investment needed to realise its growth ambitions.

To seize this opportunity, the UK must move at pace from strong signals and a strategy for infrastructure investment to concrete actions that de-risk projects, incentivise private finance and shift plans into delivery.

The research findings build on established insight - that projects are most investable when they offer financial clarity, policy stability and robust risk management. But delivering on these qualities goes beyond government policy and behaviour actions alone. The public sector, investors and delivery organisations all have a role to play in building better business cases; the most viable are those with demonstrable joined-up approaches and credible plans for delivery.



## The role of the private sector

The importance of aligning objectives and creating integrated delivery models is not confined to government departments.

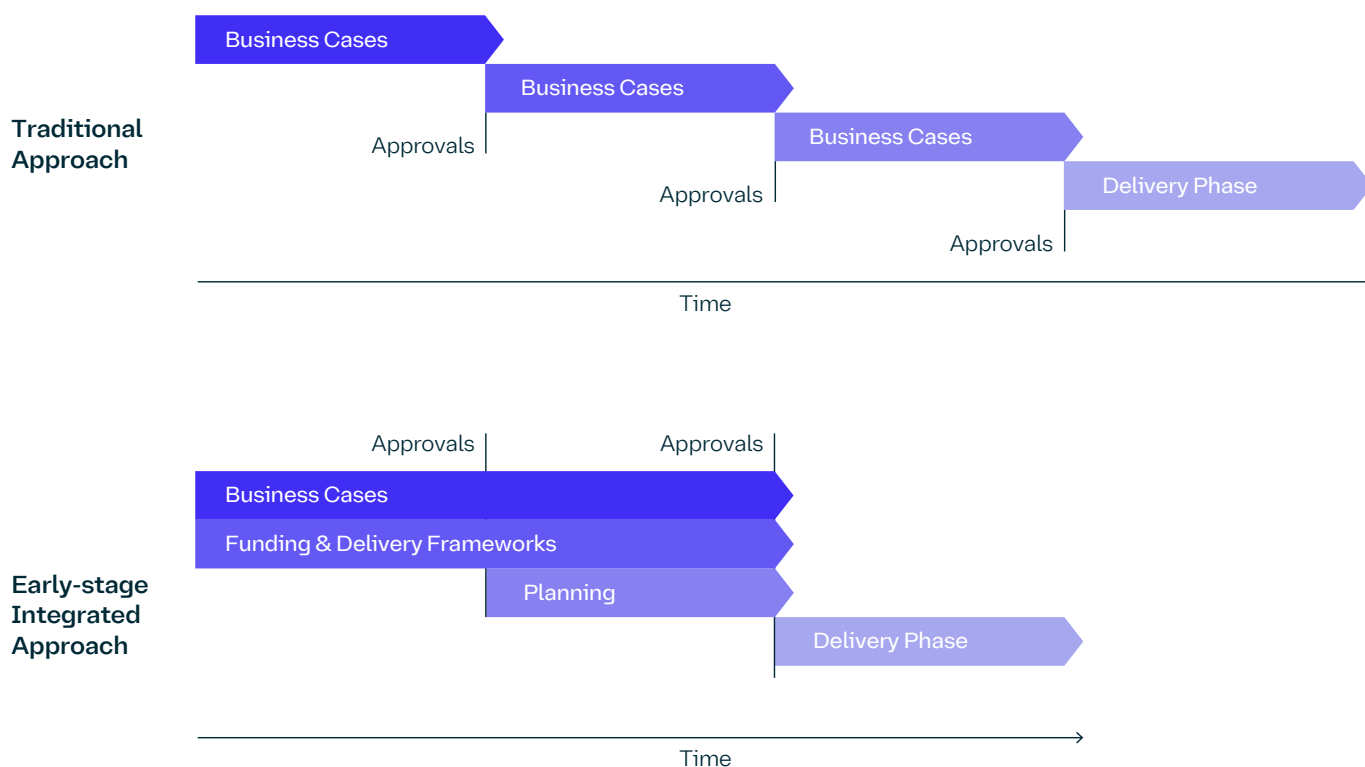
The early integration of public bodies, investors and delivery organisations ensures that projects are not only well-conceived but also positioned for efficient execution by connecting strategy, design and delivery from the outset. This is crucial to articulate value across an asset's lifecycle and build a business model that both generates steady returns and delivers benefits and growth for communities.

Crucially, this early integration approach ensures that programmes are structured effectively, with input from both finance and delivery organisations helping to create credible plans and stronger business cases.

This level of engagement pre-procurement phase also enables better contracting structures to ensure planning, construction and operational phases deliver the right outcomes for all parties.

The research reinforced the need to build confidence through certainty: an integrated approach establishes funding and financing earlier in the process and brings forward approvals to expedite the start of delivery and reduce programme risk profiles.

## Programme timelines







## Place-based partnerships

Regional investment requires alignment of plans at a national and regional level: a coordinated approach where investors can be confident in strategies that reflect local priorities and national goals. Such multi-faceted strategies need the right capabilities and experience to strengthen local delivery teams: convening strong partnerships will also help to create projects with the right risk profiles to attract private capital and establish investor confidence around costs, risks, and certainty of delivery.

Strong community engagement should also form part of these place-based partnerships to ensure projects respond to local needs. This buy-in also helps to establish high levels of public trust to increase certainty of delivery and viability of use cases.

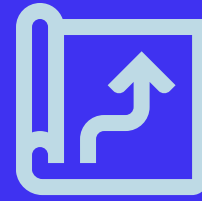


## Funding growth

To deliver on those local priorities, regions require the necessary mechanisms and resources to secure funding and drive the delivery of infrastructure programmes projects, including the creation of vehicles to streamline delivery and counter investor concerns around planning delays and local bureaucracy.

Funding and financing initiatives remain the single largest factor to address. Whilst greater revenue-raising powers through fiscal devolution would play a significant role in this, the primary focus is the need to mobilise investment and leverage national instruments like the National Wealth Fund and National Housing Bank to underpin projects, creating the right risk profile that will shift regional programmes into delivery. Scaling up pilot programmes will appeal to investors seeking clarity on funding and finance models for regional investment programmes.

Underpinning these mechanisms is the shift to place greater value on place-based principles and project appraisals at national level. A review of cost-benefit analysis to account for broader economic value and social impact would capture long-term benefits of programmes and strengthen the business case of interconnected infrastructure development and renewal projects. The frequent reference to ESG and impact in respondent feedback reinforces this mandate to measure socio-economic impact within investor portfolios.



## Building confidence with proof points

The research referenced the lack of data points and benchmarking in regional programmes. Whilst devolution to Mayoral Combined Authorities is novel, packaging projects into a programme is a well-understood approach, and a well-experienced partnership could bolster investor confidence.

Many regional plans are anchored around new transport links as a tenant to delivering the connectivity and footfall required to ensure viability of broader regeneration or commercial plans. The phasing and structuring of programmes- and data points of similar tenant project revenues- could help to reframe these regional programmes and strengthen the credibility of business cases.

## Risk allocation across the lifecycle

Aligning strategy, funding, design and execution under a single framework embeds risk management at every stage of a programme. The inclusion of delivery organisations is vital - both investors and public bodies can have greater assurance that risks are understood and can be managed through clear roles and responsibilities, transparent agreements, alignment of objectives and a more collaborative approach to governance.

Better contracting structures build on this approach to help achieve the expected revenue and improve delivery certainty against outcomes throughout the lifecycle. Collaborative contract models are well-established, with proven success stories in the UK that should raise investor confidence.

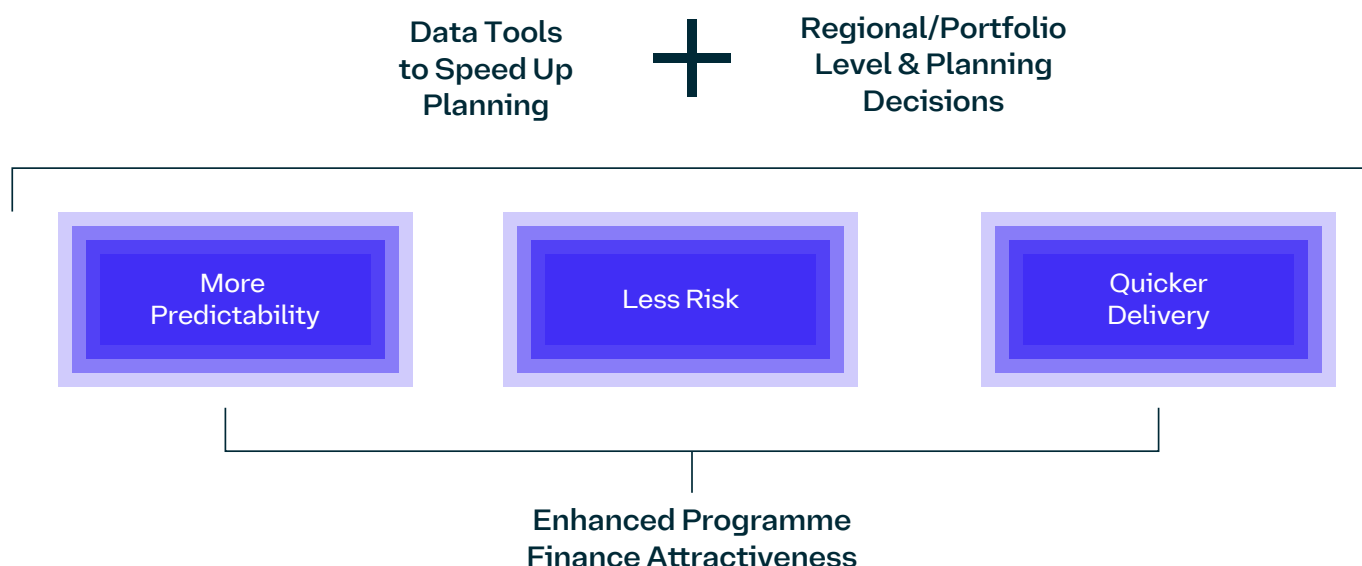
A more integrated approach to delivery also mitigates risk of cost and schedule overruns during the delivery phase; alongside delivery alliances focused on common objectives, greater collaboration during design and planning of infrastructure projects minimises design changes and delivery delays during construction: the Construction Leadership Council estimated savings of up to 20% can be achieved through this close collaboration.<sup>3</sup>

## Planning and delivery

Planning was repeatedly identified as the single greatest pain point for investors. Planning reform can streamline delivery timelines and provide investors and developers with far greater certainty. Government could also reinvigorate stalled projects already in the system to unlock backlogs and accelerate more plans into delivery swiftly, bringing forward economic benefits.

There is also far greater potential to deploy AI and digitisation to enable faster decision-making and help to overcome resource constraints in local planning departments around the country, including far greater use of spatial data, real-time insight on planning applications and proposals, and the use of digital tools such as the National Underground Asset Register to unlock efficiencies in both planning and delivery stages.

<sup>3</sup> [CLC Productivity White Paper](#)



## Key Takeaways

The need to mobilise private finance to fund and deliver on the country's infrastructure goals is a national imperative. It relies on collaborative efforts across private and public sector to build better business cases and create the right conditions that de-risk, incentivise, and deliver programmes of investment and catalysts for growth.



### De-risk

Through a joined-up delivery approach, with early integration of public sector, private organisations and investors to create delivery partnerships that align objectives in stronger contract frameworks across the lifecycle.



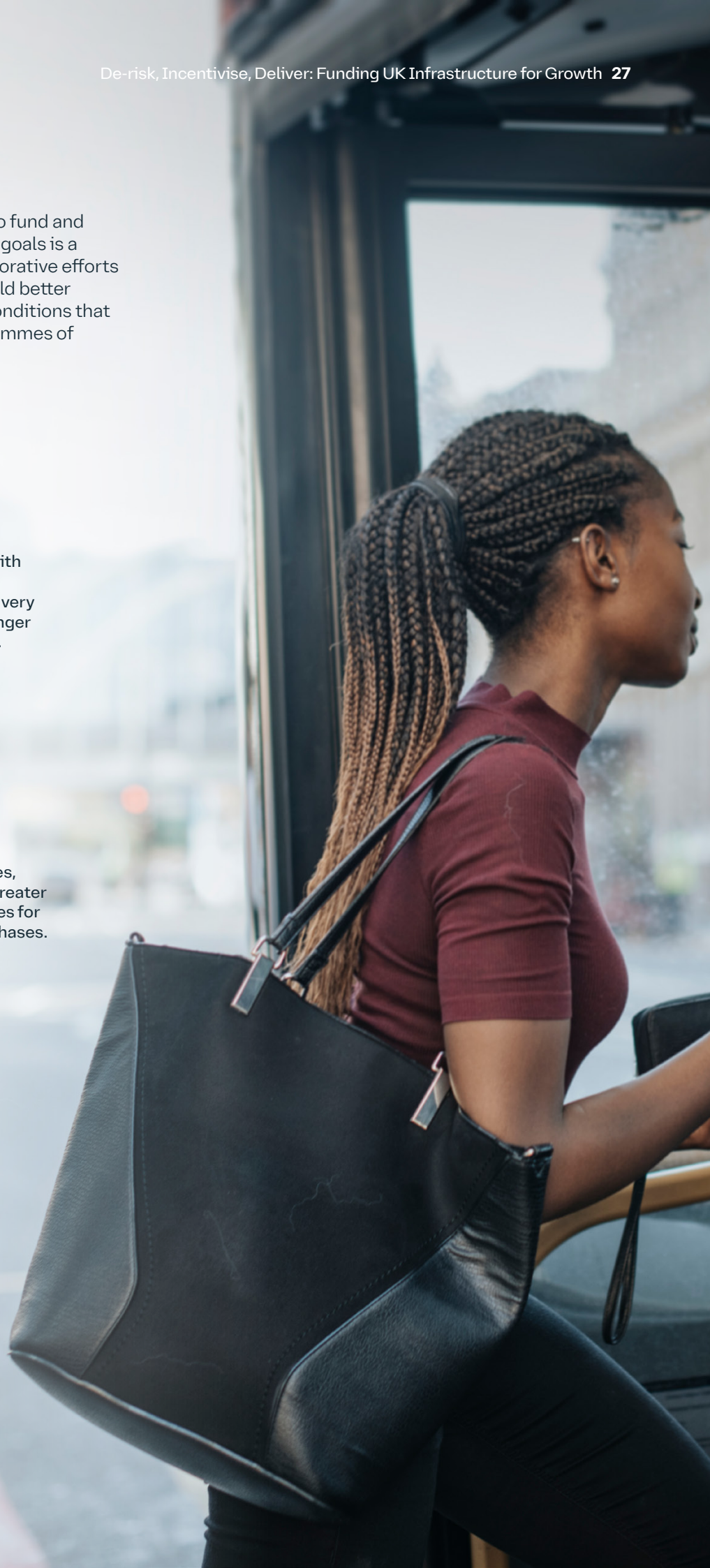
### Incentivise

Investment through innovative funding models that share risk and align incentives, underpinned by credible delivery plans, greater fiscal devolution and viable business cases for planning, construction and operational phases.



### Deliver

Programmes built around common outcomes and collaborative contracting models to provide a reliable return for investors, deliver at pace, and generate sustainable social and economic benefits to build thriving communities across the UK.





Engineering a better  
future for our planet  
and its people.