

# UK Infrastructure Bank opens for business

Launched today at its headquarters in Leeds, the UK Infrastructure Bank will be tasked with accelerating investment into ambitious infrastructure projects, cutting emissions and levelling up every part of the UK.

First announced by the Chancellor alongside the Spending Review, the Bank will help to finance important projects in every region and nation of the UK in sectors including clean energy, transport, digital, water and waste.

## **The Chancellor of the Exchequer, Rishi Sunak said:**

Opening its doors today, the UK Infrastructure Bank will accelerate our ambitions for tackling climate change and levelling up, while creating new opportunities across the UK as part of our Plan for Jobs.

Through the Bank, we are investing billions of pounds in world class infrastructure that will support people, businesses and communities in every corner of the UK.

The UK Infrastructure Bank will have an initial £12 billion of capital to deploy and will be able to issue £10 billion of government guarantees, helping to unlock more than £40 billion of overall investment.

Working in partnership with local government and the private sector, the Bank will harness investment tailored to the needs of specific infrastructure projects, offering a range of financing tools including debt, equity, and guarantees.

The Chancellor Rishi Sunak today marked the Bank's opening with a visit to its new office in Leeds, where he met senior leadership including the Bank's Chair, Chris Grigg, and hosted a roundtable with local infrastructure and business leaders.

## **The Chair of the UK Infrastructure Bank, Chris Grigg, said:**

The new UK Infrastructure Bank is open for business. I am delighted to be leading this institution, which will be a catalyst for investment to support regional economic growth and net zero ambitions.

I look forward to building strong partnerships with project sponsors, institutions and local leaders.

**Sir Roger Marsh OBE DL, Chair Leeds City Region Enterprise Partnership & NP11 said:**

Locating this powerful national institution in our region will be a real catalyst for change and a major driver of our post-pandemic recovery. It will build on our long-term commitment to ensuring that the benefits of economic growth are felt by all of our communities.

This landmark decision is testament to the strength of our financial and professional services sector and will ensure a strong and successful long-term economic outlook for the city region, the North and the UK. It will act as a catalyst to inspire economic growth and business confidence at a time when it is needed most and it is pleasing that it will be operating from Leeds.

The move also signifies a new page in the relationship between the government and cities and regions across the North, where we work in partnership to unlock economic potential and deliver on the ambitions for levelling-up all parts of the country.

**Tom Riordan, chief executive of Leeds City Council, said:**

Since the brilliant news about Leeds being the home of the UK Infrastructure Bank we've been busy working with Bank and Treasury colleagues to give them a warm welcome to the city. Today's launch is a positive signal that the Bank is moving at pace and there is a strong fit with plans for investment in clean energy, transport and housing in Leeds and the North.

**Amanda Beresford, President of the Leeds Chamber of Commerce and Planning Partner at Schofield Sweeney said:**

The Chamber is delighted to welcome the UK Infrastructure Bank to Leeds and we look forward to working with the organisation in identifying opportunities to invest in low carbon infrastructure and working towards a future net-zero economy. The aims and objectives of the UK Infrastructure Bank align very closely with the Chamber's own; we recognise that in order to meet ambitious environmental targets we must invest now to create the infrastructure, jobs, skills and technologies to make this happen.

The UK Infrastructure Bank will be in good company, joining a host of other organisations which have made the decision to locate in Leeds including the Bank of England and Channel 4; we believe strongly that access to regional perspectives will help enormously with the government's ambitions to level up the UK economy.

As part of its opening today, the Bank published a [framework document](#) which sets out its relationship with government

### **Further information**

- The UK Infrastructure Bank will form an essential part of the government's National Infrastructure Strategy and will complement the existing expertise of the Infrastructure and Projects Authority (IPA) and the National Infrastructure Commission.
- At Spending Review 2020, the government announced the next phase of its infrastructure revolution with a commitment to spend £100 billion of capital expenditure this year (2021-22) which is a £30 billion cash increase over the last two years.
- The Bank's £22 billion of financial capacity will consist of £5 billion of equity, £7 billion of debt, and £10 billion of guarantees.
- This is part of the government's plan to deliver over £600 billion in gross public sector investment over the next five years, delivering the highest sustained levels of public sector net investment as a proportion of GDP since the late 1970s.
- HM Treasury and the UK Infrastructure Bank have entered into a Keep Well Agreement to ensure that the Bank has sufficient funds to be able to meet its payment obligations in full as they fall due.
- The Bank is launching in an interim form and will scale up in capability and capacity over time.
- From 17 June the Bank will be able to issue loans, equity, or guarantees to private projects. The Bank will start lending to local authorities later in the summer.
- The Bank's branding has been created by the in-house HM Treasury team.