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2026 Q2 review: UK Infrastructure Services M&A

A look back at key transactions and trends

We see things differently.

Contents

Executive summary

M&A activity remained strong in Q2, with 87 deals matching Q1 volumes and keeping H1 aligned to the prior year. Against a backdrop of regulatory shifts and leadership changes, buyer appetite continues to concentrate around businesses aligned with funded infrastructure programmes, regulatory requirements and scarce technical capability. Engineering & Contracting Services remained the most active part of the market, with particularly strong growth across Specialist Construction, while Waste Management & Recycling, and Drainage & Wastewater also attracted increased interest, supported by regulatory change and the mobilisation of AMP8.

Transactions continue to cover the breadth of our taxonomy, but multidisciplinary acquirers are increasingly turning their attention to energy infrastructure. Our conversations with buyers reiterate the market's interest in capturing capability and capacity to support grid modernisation, a trend which could leave pricing for such businesses reaching new highs. Strength in large scale consolidation plays continue: in Strabag's acquisition of Van Elle and OCS's takeover of Mitie (agreed in July, subject to shareholder approval) we see two big names de-listing to provide acquirers capability, scale, infrastructure exposure, cross selling potential and further consolidation of fragmented sectors.

Private equity remains central to activity, although its influence is increasingly being exercised through established portfolio companies. Direct private equity investments represented only 10% of transactions in Q2, but PE-backed platforms and financial sponsors together accounted for 43%. This reflects the increasing maturity of Infrastructure Services buy-and-build strategies, as scaled platforms continue to acquire specialist capability, geographic coverage and access to long-term frameworks.

Inbound investment reduced materially during the quarter, representing 18% of transactions compared with 45% in Q1. A single quarter does not establish a long-term trend, but the change is notable as critical infrastructure is increasingly viewed through a strategic and sovereign lens. International capital remains important to the sector, although domestic trade buyers and PE-backed platforms were more prominent in Q2.

The broader investment case remains compelling. The £718 billion National Infrastructure Pipeline provides the supply chain with greater long-term visibility, but it also reinforces the scale of the delivery challenge. Across grid infrastructure, water, nuclear, transport and data centres, access to skilled labour and accredited technical capability is becoming as important as access to capital. Where capability cannot be developed quickly enough, it is increasingly likely to be acquired.

On the political front, a natural near-term priority for Andy Burnham has been rebutting calls for a general election. Beyond his own leadership role, infrastructure remains firmly at the top of the agenda, with efforts focused on accelerating grid expansion, advancing the UK's data centre strategy, and reforming the wastewater sector, all while balancing significant investment requirements with fiscal discipline. Our conversations in the market reflect a bullish investor sentiment in UK Infrastructure and on that basis, we encourage our new Prime Minister to be brave and lean into what has the potential to provide a meaningful lever for the UK economy.

Key themes

Labour capacity an ongoing constraint on delivery

The £718 billion ten-year pipeline has given the supply chain its clearest forward view in years; whether it has the labour pool to deliver it is the open question. The industry needs far more new entrants each year than it is currently attracting, whilst a large share of the workforce are approaching retirement, widening the gap from both ends.

The strain is compounded as an unusually large concentration of major, specialised programmes draws on the same pool of skilled labour at the same time. The squeeze is most acute in highly regulated specialist sectors such as grid, nuclear and water, where skilled workers take years to train. Where skills cannot be hired quickly enough, they will be bought and businesses that already hold scarce, accredited capability become acquisition targets.

Roads open to regulated private capital

Confirmed in the King's Speech in May, the Highways (Financing) Bill brings a Regulated Asset Base model to roads for the first time, allowing investors to fund highways assets. Beginning with the Lower Thames Crossing, private licence holders will finance and deliver major schemes under independent regulation, recovering their investment through long-term user charges.

This could create a repeatable funding model for road projects that would otherwise compete for constrained public capital. This marks a long-overdue opening of the transport network to private investment, extending a funding model already familiar from energy and water into a new asset class. For Infrastructure Services, it opens a new route to sustained demand across engineering, construction, environmental services and long-term maintenance.

Climate resilience becomes an investment priority

June's heatwave made a more compelling case than any white paper could. Record temperatures triggered the UK's second-ever red extreme-heat warning, with Network Rail imposing speed restrictions and cancellations across England and Wales as rails buckled and overhead lines sagged. Much of Britain's infrastructure was built for a climate that no longer exists.

The government's climate advisers put the cost of adaptation at around £11 billion a year, with cooling the single largest component, against a cost of inaction that could reach tens of billions annually by 2050. Firms with capability in cooling, flood protection, drainage and climate-resilient design and retrofit are positioned for structural growth, making specialist resilience businesses an increasingly compelling acquisition target.

Government draws a line on Thames Water

In June, the Environment Secretary told Ofwat that Thames Water's £10 billion rescue proposal did not go far enough for customers or the environment. By refusing to relax fines, performance standards or regulatory protections to facilitate a market-led solution, ministers signalled a clear commitment to accountability. The decision has pushed the UK's largest water company closer to temporary nationalisation.

The implications extend well beyond Thames Water. Regulated water assets are becoming harder to underwrite at precisely the point AMP8 requires significant private investment. For Infrastructure Services investors, this increases the appeal of asset-light businesses that deliver essential capital programmes without assuming the financing and regulatory risks borne by utilities. Increasingly, the more attractive position may be supplying the assets rather than owning them.

Looking forward

Some things to look out for over the next six months:

1. **Electricity grid reform continuing to shift from policy to implementation**

   With data centre activity ratcheting, there is conviction that demand for energy will soon outstrip supply, meaning regulation and control will be critical. Ofgem is in the process of planning for these challenges and have recently proposed that commitment fees could be part of a suite of measures to control surging applications for grid connections.

2. **Water regulation reform to accelerate**

   Penalties against Welsh Water and Southern Water, and Severn Trent's narrow escape from similar fines, may reflect improved regulation, we expect to soon see legislation drafted and taken through Parliament proposing how Ofwat will be abolished and replaced. At the same time, reports that Thames Water will run out of money in Q4 2026 indicates a creditor or government led solution may be in play before the end of the year.

3. **The Autumn Budget**

   John Healey's first budget as Chancellor has the potential to be a turning point for fiscal policy. Arguably the approach with Rosebank and Jackdaw reflects a level of pragmatism which could unlock UK infrastructure plans, but it remains to be seen whether the responsibility and visibility that come with the balance sheet dampens that perspective.

4. **NISTA pipeline refresh**

   In March 2026, NISTA's refresh upgraded the ten-year infrastructure pipeline to £718 billion from £531 billion in July 2025. Given the scale of the revision, we anticipate the pipeline should be on firmer footing but whether a change of leadership influences the next update is another question.

5. **Great British Railways ("GBR")**

   With performance and safety levels continuing to operate below expectation, the Railways Bill, which seeks to reform rail regulation and create GBR, is expected to be passed into law before the end of the year.

Andrew Dickinson
Head of Infrastructure Services

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Infrastructure Services: Key disciplines

Built Environment Professionals

Design & Advisory

Technical and commercial services supporting the planning and co-ordination of infrastructure projects, principally Architecture, Quantity Surveying, Engineering Consultancy and Project Management Consultancy Services.

Risk, Safety & Compliance

Consultancy services focused on keeping UK infrastructure legal, safe and effective, notably Accreditation Certification, Regulatory Testing, and Specialist Consultancy Services.

Surveying & Geotechnical

Technical services providing precision measurement or subsurface expertise to guide safe, cost-effective development, including Land, Building & Topographical Surveying, Materials Testing Services and Ground Investigation.

Environmental Specialists

Drainage & Wastewater

Businesses maintaining and enhancing wastewater and drainage infrastructure, including CCTV Drain & Sewer Inspection, Sewer & Drain Repair, Flow Monitoring & Mapping, Tank Drainage, Cleaning & Maintenance.

Waste Management & Recycling

Including waste disposal, resource recovery and associated environmental compliance such as Asbestos Survey & Removal, Management of Hazardous Materials, Maintenance of Waste Management Systems and Recycling Services.

Environmental Services

Companies with offerings specifically addressing environmental requirements, including (but not limited to) Training, Impact Assessments, Audits, Due Diligence, Sustainability, Net Zero, Carbon Footprint Management, Ecological & Biodiversity Surveys, Air Quality, Noise Pollution and Vibration Testing.

Engineering & Contracting Services

MEP Services

Engineering services supporting the design, implementation or maintenance of Mechanical Systems (Escalators, Elevators, HVAC etc.), Electrical Systems (Lighting, Fire Alarm & Detection, Power Distribution, etc.) or Plumbing Systems (Fire Suppression Sprinklers, Pipework & Pressure Management etc.).

Construction & Civil Engineering

Traditional construction and engineering services enabling the development and maintenance of Commercial, Industrial and Residential Infrastructure.

Specialist Construction Services

Engineering and construction services focused on specific aspects of a project, such as Roofing, Flooring and Glazing. Also includes support services such as Plant Hire and Scaffolding and niche methods such as Modular Construction Services.

Infrastructure Services: Multidisciplinary

Industry Specialists

Maritime & Offshore

Services dedicated to the development, maintenance and, where relevant, decommissioning of coastal and marine assets, including Reclaimed Land, Ports, Harbours, Oil & Gas Sea Platforms and Offshore Wind Farms.

Energy & Utilities

Services focused on the development and maintenance of onshore UK utilities infrastructure including Solar, Wind and Nuclear, Electricity Distribution, EV Charging, Telecoms & Broadband.

Transport

Businesses with services dedicated towards supporting transport infrastructure, principally Roads, Rail and Aviation.

Diversified Groups

Facilities Management

Multi-service provision dedicated to the management of physical assets including Cleaning, Janitorial, Security Services, Grounds Maintenance, Site Repairs and Systems Maintenance.

Multidisciplinary Groups

Acquisitive groups providing multiple services, often addressing a range of types of infrastructure, either through integrated offerings or a portfolio of separately run companies.

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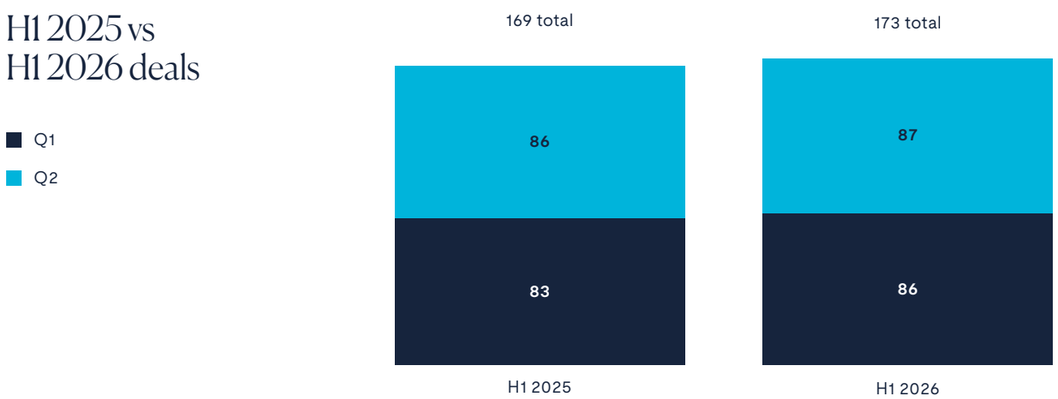
2026 Q2 statistics

Deal volumes maintained their momentum in Q2, with 87 transactions completed, bringing total H1 deal volume to 173 transactions, four ahead of the 169 recorded in H1 2025. However, this modest increase does not tell the full story. Deal activity fell sharply in the second half of 2025, driven largely by uncertainty surrounding the Autumn Budget. If the momentum seen in the first half of 2026 can be sustained through H2, the Infrastructure Services sector is well positioned to deliver another record year for M&A activity.

- Engineering & Contracting continued to be the busiest sector across Infrastructure Services, with 33 deals in Q2. Whilst MEP Services remained the most active subsector, Specialist Construction Services recorded the strongest growth, with deal volumes increasing from eight transactions in the same period of 2025 to 14 in Q2 2026. Activity was driven by strong demand for modular construction businesses, fit-out specialists and plant hire providers.
- Waste Management & Recycling activity more than doubled on the equivalent period last year. A wave of regulation, including Simpler Recycling, packaging EPR and the 2027 Deposit Return Scheme, is locking in mandated, recurring collection and processing volumes.
- Drainage & Wastewater continued to show strong demand. Activity is driven by the AMP8 investment cycle, bringing a level of regulatory certainty and visibility that is driving demand for businesses operating on water and wastewater assets.
- Pure private equity-led acquisitions fell to just 10% of all transactions in Q2. Despite this decline, private equity remains pivotal to activity across the sector, with 43% of deals involving either private equity investment or a PE-backed platform. This highlights the increasing maturity of the market, as established buy-and-build platforms continue to scale through strategic acquisitions.
- Inbound investment became markedly more subdued, representing just 18% of all transactions, compared with 45% in Q1. Whilst foreign capital remains an important source of funding for the sector, infrastructure is increasingly being viewed through a strategic and sovereign lens. The challenge for the UK is to continue attracting investment while protecting critical national assets and maximising the economic benefits retained domestically.

H1 2025 vs H1 2026 deals



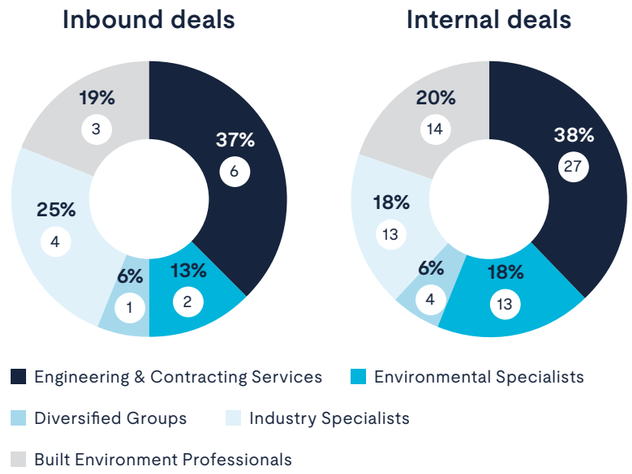
Deal volume - Inbound vs Internal

18% Inbound deals 16

82% Internal deals 71

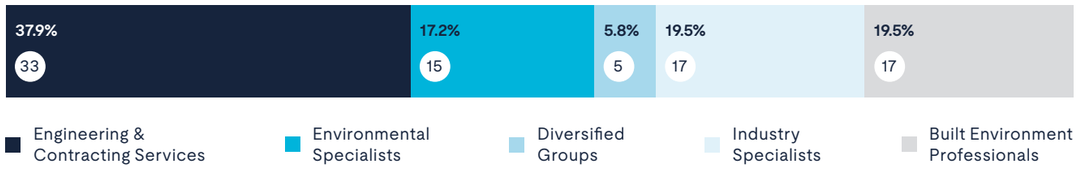
Deal volume ranking

1. **USA** No. of deals: 4
2. **Sweden** No. of deals: 3
3. **Multiple** (Ireland, Germany, Australia, Norway, Finland, Japan, Bahrain, Canada) No. of deals: 1

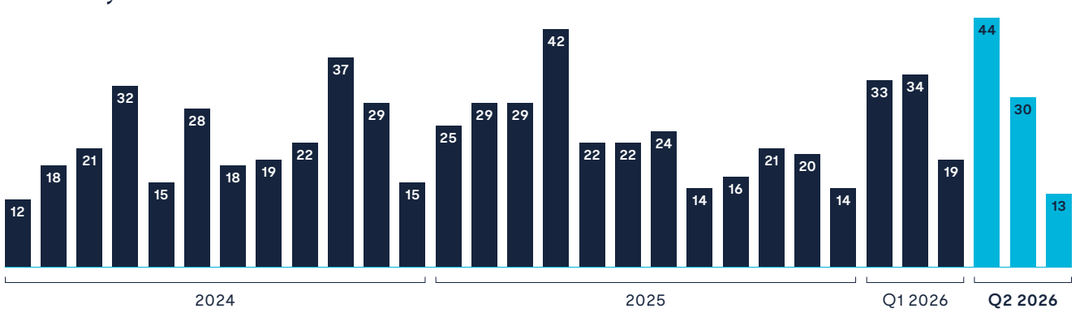


Trade vs private equity

Deal volumes by subsector



Monthly deal flow



Notable deals

Q2 2026

April

Strabag continued its UK growth strategy with two acquisitions in the month. Early in April it acquired **Crofton Engineering**, a specialist in structural steelwork and metalwork, before adding **Van Elle**, one of the UK's largest geotechnical and ground engineering contractors. Together, the deals deepen Strabag's vertically integrated UK construction platform, adding specialist capability.

Obsequio Group, the compliance and safety services platform backed by **Warren Equity Partners**, completed two acquisitions in April. It acquired **Abbey Fire UK**, a fire safety specialist, alongside **ClearFlow Water Treatment**, a water hygiene specialist focused on Legionella control and closed-system treatment. The deals reinforce its buy-and-build strategy within the compliance-driven sector.

The German-based TICC group, **Certania** backed by **Greenpeak Partners** and **Summit Partners**, acquired **FES Group**, a UK construction compliance consultancy. FES Group provides energy and regulatory compliance services to developers, housebuilders and contractors across the building lifecycle. The deal strengthens Certania's UK buildings and infrastructure platform, expanding its capability in a market shaped by tightening regulatory and sustainability requirements.

May

Briggs Equipment UK, a provider of materials handling equipment and engineering services was acquired by Australian pension-capital infrastructure investor, **IFM Investors**. The deal extends IFM's long-standing UK infrastructure portfolio, reflecting continued investor appetite for businesses that can incorporate recurring service-based revenues into an asset-heavy, typically short term, business model.

OCU Group, the **Triton**-backed energy transition and utilities infrastructure services platform, acquired **Athena PTS**, an engineering and power systems specialist. Athena provides early-stage technical consultancy, grid connection and electrical infrastructure delivery, operating as an Independent Connection Provider. The deal strengthens OCU's ability to support clients at the earliest stages of project development, reinforcing its position as a key integrated delivery partner across the UK's energy transition and grid infrastructure markets.

Tendra Technical Services, the **Triton**-backed engineering-led acquisitive group, acquired **Dynamic FM**, a mechanical, electrical and facilities management provider operating across education, healthcare, local government, industrial, transport and utilities. The deal expands Tendra's presence in the North of England and continues the rapid buy-and-build of a platform Triton established in December 2025.

Deep dive

The infrastructure challenge behind the UK's data centre ambition

The UK has made a clear commitment to becoming a global leader in data centres and, by some measures, already leads the European market. The strategy is logical because AI adoption will continue to drive demand for compute capacity and digital infrastructure. Demand, however, is not the issue. If the UK is to maintain and strengthen its position, it must address the infrastructure constraints that could limit data centre development.

Power is a key constraint. In our Q1 report, we set out the progress of RIIO-T3, which has now moved into implementation. While the increase in spending commitments for electricity transmission upgrades is positive, RIIO-T3 remains largely reactive, funding upgrades against established network requirements rather than anticipating the full scale and geographic concentration of future data centre demand. Although estimates of consumption are disputed, data centres currently consume around 2.5% of total UK electricity, with this figure expected to rise four-fold by 2030.

The scale of pipeline projects awaiting grid connection is stark, with quoted connection timelines now routinely running five to ten years. Ofgem is moving through the first phase of its demand connections reform, tightening entry tests to clear speculative projects from the queue and proposing to let developers self-build more of their own grid connections in return for faster access. Some developers aren't waiting for reform to catch up. More than 100 new UK data centre projects are securing power through on-site gas generation instead, bypassing the connection queue entirely. That solves the immediate problem but creates a different one. NESO has rightly flagged the longer-term climate trade-off against the UK's Clean Power 2030 target.

Energy costs are also becoming an increasingly decisive factor. UK industrial electricity prices are among the highest of any major economy – roughly double the European average and around four times those in the US – a gap that hits data centres particularly hard given how much of their operating cost is power. OpenAI paused its Stargate UK project in April, citing energy costs and regulatory uncertainty directly. The pause is less a verdict on the UK's prospects than a clear, quantifiable signal of exactly where policy needs to move fastest.

Water compounds the challenge, but it is the more solvable half of the equation. During a period of increasingly frequent heatwaves, when many UK residents are being subjected to hosepipe bans, we are also discussing building data centres at unprecedented scale. Hyperscale facilities, particularly those built for AI workloads, can require vast volumes of water for cooling, with a single facility consuming as much as a small town.

Unlike grid capacity, water demand can often be reduced materially through design choices, including closed-loop systems, water recycling and careful site selection. Closed-loop cooling and water recycling are increasingly standard in new hyperscale builds, and paired with careful site selection, they turn a hard constraint into a solvable specification. But specifications only get built at scale when design, capital and delivery are aligned from the outset, and that is the real test the UK now faces.

None of this is a reason for the UK to step back from its data centre ambitions. What it requires is an aligned delivery strategy, coordinating government, network operators, water utilities, developers and the wider supply chain. Designing solutions into projects from the outset will reduce the need for expensive remedial investment later and allow public and private spending to be directed more effectively across the wider infrastructure network.

For Infrastructure Services, this is already converting into real, near-term demand. OCU Group's acquisition of Athena PTS this quarter, an Independent Connection Provider helping developers accelerate the design and delivery of complex grid connections, is a clear example of the market building its way through this constraint.

Grid connection is only the first stage of a much longer opportunity: as projects move from planning through construction and into operation, demand broadens from design and civil engineering to MEP, environmental compliance, and long-term facilities and asset management. We expect continued M&A activity as larger contractors and investors move to acquire capability across the full build and operate lifecycle of data centres.

Notable deals

June

BGF acquired a minority stake in Engineering and Environmental Consultants, **Rappor**. Rappor's diverse service offering includes Transport Planning, Civil Engineering, Water and Environmental Management, and Landscape Planning and Design. The investment will enable Rappor to accelerate its geographic expansion, broaden its specialist capabilities and continue building a leading multidisciplinary consultancy across the UK.

Inflexion made a majority investment in **Ranger Fire & Security**, the UK and Ireland fire and security services platform, with existing backer **Hyperion Equity Partners** reinvesting substantially alongside the new majority owner. The investment came as Ranger continued its acquisition run through Q2, adding Fidelity Integrated Systems (April), Henderson Fire and Safety (May), and Scion Communications and CIA Fire and Security (June) to a platform that has now completed 25 acquisitions since its 2024 launch.

Adler & Allan, the **Goldman Sachs**-backed environmental services platform, acquired **Vertase FLI**, a contaminated land, brownfield and environmental contracting specialist. The deal was Adler & Allan's first of the year following a busy 2025 and further expands its integrated environmental services offering as remediation and compliance requirements increase across infrastructure, utilities and development-led investment.

Deep dive

AMP8: Can the water sector actually spend £104 billion by 2030?

AMP8 has become one of the defining themes in UK infrastructure. Faced with ageing assets, tighter regulation and rising public scrutiny, water companies have committed to the largest investment programme in the industry's history, with £104 billion allowed across the cycle. That spend is already driving major capital programmes and heightened M&A and supply-chain activity across regulated water and wastewater services. The scale of the investment provides a major opportunity to modernise the UK's water network, create skilled employment and support sustained growth across the supply chain. However, as we move through the investment cycle, the key question is whether the sector can mobilise the people, suppliers and delivery capacity required to turn that ambition into completed projects.

The traditional five-year AMP cycle creates a familiar challenge, with the opening period often treated as "Year 0", with water companies finalising allocations and awarding frameworks while physical delivery appears slow. However, AMP8's early mobilisation has been encouraging. United Utilities delivered £1.5 billion of capital investment during the first year of AMP8 and mobilised more than 100 supply-chain partners. Anglian invested £1.1 billion and worked across more than 1,100 capital projects, more than double its annual delivery rate during AMP7.

Elsewhere, mobilisation has been more uneven. Five companies challenged Ofwat's price determination through the Competition and Markets Authority, seeking £2.7 billion of additional revenue. The CMA's March 2026 ruling allowed only £463 million, leaving companies to reassess the timing and scope of elements of their investment programmes. Thames Water withdrew from the CMA process amid its wider financial restructuring, and uncertainty over its long-term funding continues to constrain confidence in delivery. Contractors and consultants working across AMP8 have described a first year marked less by resource shortage than by stop-start activity and warned as early as late 2025 that the sector was already behind where it needed to be.

Taken together, these examples show a sector diverging rather than moving uniformly. The truth is that the bulk of the actual work will be delivered once planning, design and procurement have been completed. That anticipated acceleration is already flowing through to the supply chain and shaping M&A activity. Water- and wastewater-adjacent service businesses are seeing an uptick in investor demand, as buyers move to acquire access and capacity ahead of the true delivery phase of AMP8.

Skilled labour is a key driver of M&A demand. Estimates suggest that more than 100,000 additional workers will be required to deliver AMP8 commitments and replace an ageing engineering workforce. Experienced technical specialists are already in short supply, with water companies and contractors competing for the same design engineers, project managers, commissioning specialists and mechanical and electrical engineers. This challenge extends across the wider infrastructure sector, with energy, transport and other major programmes all drawing from the same talent pool. Businesses that already possess these specialist capabilities, particularly those with strong graduate and apprenticeship pipelines, will be well placed to secure work and command a premium.

The uncomfortable reality is that much of AMP8 will ultimately be funded by consumers. At a time when household bills remain under pressure, customers are being asked to pay more to fix infrastructure that has been ageing for decades. That creates a difficult balance. Water companies need the funding, but consumers will expect to see results in return, and those results are arriving unevenly.

United Utilities and Anglian Water have so far provided clearer evidence that increased funding is translating into physical delivery. Elsewhere, financial uncertainty, regulatory disputes and operational underperformance continue to create less certainty over the pace and impact of investment. The government has committed to replacing Ofwat with a new integrated regulator, although the replacement has not yet been established and the sector is still waiting for clarity on how the new system will operate.

Whether AMP8 spending is delivered is therefore too broad a question. The first year suggests that outcomes will vary materially by utility. United Utilities and Anglian demonstrate what full-pace delivery can look like when funding, frameworks and supply chains align. Thames Water demonstrates how financial instability can undermine confidence in even the most ambitious capital programme, while the companies involved in the CMA process must now adapt their plans to the final settlement. As AMP8 moves into its main construction phase, the gap between leading and lagging utilities may widen before it begins to close.

For well-positioned infrastructure services businesses, the opportunity should still broaden across engineering, treatment, maintenance, monitoring and specialist environmental services. The near-term returns will go to those exposed to the companies already converting commitments into delivery. For acquirers, the window to secure exposure to AMP8 spending is narrowing, with the structural investment requirement expected to extend into AMP9 and beyond.

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Burnham-mania: an infrastructure transformation?

Andy Burnham's elevation from Mayor of Greater Manchester to Prime Minister represents more than a change in leadership. While the detail of his policy programme is still developing, his early statements point towards a distinctive economic model built around regional devolution, greater public influence over essential services, domestic industrial capacity and infrastructure-led growth.

Burnham has described his approach as "business-friendly socialism", using public intervention and devolved decision-making to create the conditions for private-sector investment and growth. His record in Greater Manchester provides the clearest indication of what this could mean nationally. The Bee Network brought buses back under public control but retained private operators within the delivery model, demonstrating how public oversight and commercial participation can coexist.

Devolution is likely to be central. Burnham has promised the largest rebalancing of power away from Whitehall in modern British history, including greater regional control over housing, transport, utilities, education and skills. He has also opened a "Number 10 North" in Manchester, focused on utility reform, reindustrialisation and regional regeneration.

For Infrastructure Services, deeper devolution could create a broader and more geographically distributed pipeline. Regional authorities with greater control over funding and procurement should be better positioned to align transport, housing, utilities and regeneration programmes around local requirements. This could favour mid-market and specialist providers capable of accessing regional frameworks, while reducing the historic concentration of investment around a small number of nationally managed projects.

Greater public control of essential infrastructure is the more complex part of Burnham's agenda. He has argued that government cannot effectively manage inflation without greater influence over the cost of housing, water, energy and transport, and has previously supported public ownership as a potential solution for Thames Water. However, changes in asset ownership would not remove the need for private-sector capability. Public bodies and regulated utilities will still require engineering, environmental, maintenance, compliance and technical services to improve ageing assets and deliver capital programmes.

The opportunity may therefore lie less in who owns infrastructure and more in who can deliver it. A shift towards public or regional control could alter procurement models and increase scrutiny of performance and value for money, but it should also reinforce demand for asset-light service providers with specialist capability and strong delivery records. Businesses operating across water, rail, energy and social infrastructure may benefit from higher investment without assuming the financial and regulatory risks associated with asset ownership.

Burnham has also promised a major social-housing programme and a renewed focus on domestic capability across defence, steel and energy. These priorities would support demand across construction, civil engineering, MEP, retrofit, building compliance and long-term maintenance. His emphasis on apprenticeships and technical education is welcome. The UK's infrastructure ambitions are increasingly constrained by skilled labour.

The new leader does not begin with a blank sheet of paper. The National Infrastructure Pipeline already contains 734 projects representing £718 billion of planned public and private investment over the next decade. Burnham has also committed to maintaining the existing fiscal rules, meaning delivery will continue to depend on mobilising private capital alongside public investment.

For investors, this should sustain demand for businesses with scarce skills, regulatory credentials, regional relationships and access to long-term frameworks. A stronger preference for domestic capacity could increase scrutiny of foreign ownership in strategically important assets, but the scale of the investment requirement means international capital and expertise will remain important.

For Infrastructure Services, the change in leadership is ultimately less about political labels than delivery. If greater devolution accelerates decision-making and allows investment to be targeted more effectively, Burnham's approach could unlock a broader and more accessible infrastructure pipeline. The ambition is becoming clearer; the test will be whether policy, funding and supply-chain capacity can be converted into completed projects.

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What a coffee can unlock

The first half of 2026 has reinforced the strength of buyer demand across Infrastructure Services. With 173 transactions completed and competition for specialist capability continuing to intensify, owners are increasingly considering what this activity could mean for their business. An early conversation can provide valuable clarity, helping to define your ambitions, understand your options and identify the steps that could maximise value when the time is right.

Our starting point is simple: an informal strategic review. No rigid agenda, just an opportunity to understand how your business operates, your goals, preferred timelines and priorities for the wider team. From there, we draw on deep sector experience to provide honest, practical advice on the available routes. Even a short conversation can help shape your thinking, whether you are considering an exit soon, in several years, or simply want to understand how buyers may view your business.

We have advised clients across the Infrastructure Services sector, consistently achieving valuation multiples above industry averages by preparing businesses thoroughly and managing competitive processes to drive value. With significant capital targeting the sector and buyers competing for businesses with scarce skills, regulatory credentials and exposure to funded programmes, many owners are finding that now is an opportune time to explore what the market may offer.

At Heligan, we support clients throughout their journey. Alongside preparing the business, personal wealth planning also matters. Tax changes and political uncertainty make early planning increasingly important. Straightforward steps from reviewing ownership structures and considering trusts to exploring Family Investment Companies and planning the timing of Capital Gains Tax can make a meaningful difference.

If a conversation would be helpful, we would be happy to arrange an introductory meeting.

Infrastructure Services team

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Glossary

AMP	Asset Management Plan
AI	Artificial Intelligence
BIM	Building Information Modelling
BN	Billion (currency value)
CGT	Capital Gains Tax
C&I	Commercial and Industrial
CCTV	Closed-Circuit Television
Civils	Civil engineering works
DNO	Distribution Network Operator
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
EV	Electric Vehicle
FIC	Family Investment Company
FM	Facilities Management
GW	Gigawatts
HV / LV	High Voltage / Low Voltage
IHT	Inheritance Tax
K	Thousand
M&A	Mergers and Acquisitions
MEP	Mechanical, Electrical and Plumbing
MW	Megawatts
NESO	National Energy System Operator
NISTA	National Infrastructure and Construction Pipeline
Ofgem	Office of Gas and Electricity Markets
Ofwat	Water Services Regulation Authority
PE	Private Equity
RIIO	Revenue = Incentives + Innovation + Outputs
SME	Small and Medium-sized Enterprise
SPV	Special Purpose Vehicle
TICC	Testing, Inspection, Certification and Compliance
TN	Trillion
T&M	Term Maintenance
UKAS	United Kingdom Accreditation Service
$	US Dollars
£	British Pound Sterling

Appendix

Heligan deal data methodology

S&P Capital IQ

Used as the primary data source for company and transaction screening

Layer 1

S&P Capital IQ Industry & Activity Filtering

Extensive keywords
Industry categories
SIC codes

Layer 2

S&P Capital IQ Geographical Filtering

Target company must be in the UK

Layer 3

S&P Capital IQ Transaction Types

Included

M&A Trade sales
Management Buyouts
Growth Capital
PE Transactions
Trade and Asset combinations

Excluded

Debt transactions
Recapitalisations
Pure Asset Sales
IPOs
Venture Capital/ROF (Round of Funding)

Layer 4

Heligan Deal Data

Companies profiled into subcategories

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