Request for a direction under section 35 of the Planning Act 2008

Quest Park Data Centre Campus

April 2026

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Contents

QUESTPIT DATA CENTRE – REQUEST FOR A DIRECTION UNDER SECTION 35 OF THE PLANNING ACT 2008

SUPPORTING STATEMENT

1. INTRODUCTION

1.1. This statement is prepared by Questpit Limited (Company Registration Number: 09533916) (the '**Applicant**') as a qualifying request for a direction from the Secretary of State for the Ministry of Housing, Communities and Local Government under section 35 of the Planning Act 2008 (the 'PA 2008') for a proposed data centre campus to be treated as development for which development consent is required.

1.2. As of 8 January 2026, data centres are a prescribed type of 'business or commercial project' referred to in the Infrastructure Planning (Business or Commercial Projects) (Amendment) Regulations 2026 which provides that data centres are capable of being the subject of a direction by the Secretary of State under section 35 of the PA 2008.

1.3. Accordingly, this document constitutes a qualifying request by the Applicant for a direction by the Secretary of State that the data centre campus be treated as development for which development consent is required. The effect of the Secretary of State making a direction would be that the Applicant is in a position to submit a single Development Consent Order ('**DCO**') application for the Proposed Development, i.e. the data centre campus, as well as a gas generating station (which constitutes a nationally significant infrastructure project ('**NSIP**') in its own right) and associated development related to both developments.

1.4. For the purposes of section 35ZA PA 2008, this written request specifies the development to which it relates and explains why the conditions in section 35(2)(a) and (b) PA 2008 are met in relation to that development.

2. THE APPLICANT

2.1. This supporting statement has been submitted on behalf of the Applicant, the proposed promoter of the DCO (should a section 35 direction be made). As owners of the subject land, the Applicant has extensive experience and knowledge of the site's past and present context and was responsible for securing the recent planning permission for a film and TV production campus at the site, under reference CB/22/0316/FULL. The Applicant will be bringing forward the Proposed Development in lieu of that permission being implemented.

3. THE PROPOSED DEVELOPMENT

3.1. The Applicant is proposing a development which comprises two inter-related components:

3.1.1.1. a data centre campus which comprises of:

a. Four data centre buildings (each equipped with data halls);

b. Digital training facility to provide Science, Technology, Engineering and Mathematics students with facilities for education and research. This will be tailored to preparing students for careers in the technology sector and comprises of a training centre (approximately 1,200 sqm) and office buildings (approximately 13,400 sqm); and

c. Associated development (as defined by section 115(2) of the PA 2008), which will include two new or improved access junctions to the east of the site and gatehouse for security as well as logistics infrastructure, environmental mitigation, landscaping, internal access tracks,

together the **Proposed Development**, and

3.1.1.2. an integrated on-site gas generating station (the '**Generating Station**). The Generating Station would constitute an NSIP in its own right. The Generating Station is intended to provide a resilient and reliable power supply to support the data centre campus.

3.2. The Proposed Development comprises servers (i.e., the physical or virtual machines that process data and run applications), storage systems that store data, such as hard drives, solid state drives, and storage arrays, and networking equipment including routers, switches, and cables that enable communication between devices inside and outside the data centre. It will also include onsite power and cooling (e.g. backup power supplies, such as generators and uninterruptible power supplies, and cooling systems to maintain the optimal temperatures for data centres to operate efficiently).

3.3. It is the Proposed Development (i.e., the data centre campus) which is the subject of this application for a section 35 direction. Under section 35 of the PA 2008, such a direction can be given in relation to "a business or commercial project (or proposed project) of a prescribed description". Prescribed descriptions are provided in the Infrastructure Planning (Business or Commercial Projects) Regulations 2013 (the '**2013 Regulations**'). In this case, the Proposed Development consists mainly of the construction of data centres (i.e., paragraph 10 as inserted by the Infrastructure Planning (Business or Commercial Projects) (Amendment) Regulations 2026).

3.4. For completeness, the elements of the Proposed Development set out in paragraph 3.1.1.(c) constitutes "Office use", and "Research and development of products or processes" (covered by paragraphs 1 and 2 of Schedule 1 to the 2013 Regulations). The 2013 Regulations are clear that a direction may be given for "the construction of buildings or facilities for use for the purposes of one or more of the matters in the Schedule to these Regulations". The Proposed Development therefore satisfies these conditions as it mainly consists of data centres, but includes further matters (i.e., buildings relating to office use and research and development) in respect of which a direction is sought.

3.5. The Applicant has included in Annex 1 a Proposed Site Plan which shows the illustrative location of the buildings and structures forming the Proposed Development. For the reasons above, the Generating Station constitutes an NSIP in its own right and therefore is not the subject of this request for a direction under s35 of the PA 2008.

4. THE PROPOSED SITE LOCATION

4.1. The Proposed Development will be located on a former clay excavation pit in the area of Central Bedfordshire, located at Ampthill Road, Bedford, MK45 3JP (as shown indicatively edged red below) (the '**Proposed Site'**).

4.2. The site is located approximately 5.5 miles southwest of Bedford Town Centre and is accessed via the A421 and B530 Ampthill Road. The Proposed Site has close proximity to the strategic road network including the M1, A1 and A6 and the B530 (Ampthill Road) which runs directly adjacent to the eastern boundary of the Proposed Site and Stewartby Way which bounds the Proposed Site to the south.

4.3. The wider regional context of the site is shown in Figure 4 of Annex 3. As noted above, the Applicant refers to Annex 1 which includes a Proposed Site Plan which shows the illustrative location of the buildings and structures forming the Proposed Development.

4.4. The location of data centres is subject to key considerations, particularly based on physics of the speed of light and proximity to a reliable power supply and associated fibre infra-structure. The key location requirements for data centres that have resulted in the bringing forward of the Proposed Development on the Proposed Site are:

4.4.1. Land: The land must be of a sufficient size that not only accommodates the data centre as it is, but also the potential for future growth in line with the growing needs of the UK.

The Proposed Site will allow for the development of a 1GW AI ready data centre (720MW IT load). At the time of writing this request, the largest hyperscale data centre in the UK can only reach up to 148 MW IT load (e.g. Vantage Data Centres Cardiff,

CWL1 campus). The land is therefore sufficiently large enough that it allows the Proposed Development to be built to the extent to make a substantial contribution for future demand as explained in further detail below.

4.4.2. Power: Reliable and constant sources of power are vital for the operation of a data centre.

The Proposed Development will be brought forward with the Generating Station. In addition, the land is in close proximity to three high-pressure gas pipelines forming part of the National Transmission System, approximately 1.6km from the Proposed Development, which will provide a source of power to the Proposed Development.

4.4.3. Fibre: Proximity to high-capacity fibre cable networks with several diverse fibre routes is required to ensure resilience.

In collaboration with euNetworks, the Applicant has developed a comprehensive plan to connect the Proposed Site to the existing fibre network via newly constructed duct routes. This initiative will future proof the Proposed Development by providing sufficient capacity for future growth and ensuring optimised latency, enhancing its appeal to target customers.

4.4.4. Proximity to other Data Centres: Ideally a data centre should be located in proximity to a minimum of two other data centres within an Availability Zone in order to provide resilience in the event of any failure at the data centre. Each data centre must be equipped with independent power, cooling, and networking.

In this case, the Proposed Site would have close proximity and connectivity to London, and would, given its scale, have the potential to create its own proximity zone.

4.4.5. Proximity to customers and users: As detailed in the Economic Report at Annex 3, AI data centres are not reliant on latency, but having good latency is beneficial in that it speeds up data transfers, helps them integrate smoothly with cloud services, supports real-time applications when needed, and is close to the hub of the customer base.

The Proposed Site is suitably located in proximity to London so that it can offer the scale of area required to build a hyperscale data centre, but close enough to London to benefit from the aforementioned assets.

4.5. The Proposed Site also has the benefit of an existing permission for film studios, establishing the principle of the development.

5. CONSULTATION AND STAKEHOLDER ENGAGEMENT

5.1. The Applicant has undertaken initial pre-application engagement with Central Bedfordshire Council to secure early feedback on the proposed principle of the development as a data centre campus.

5.2. Notwithstanding there is no express or formal requirement for consultation, an informal discussion was held between the Applicant and Central Bedfordshire Council. The possibility of pursuing the Proposed Development through a DCO under the PA 2008 has been discussed, subject to the submission of a Section 35 qualifying request to the Secretary of State, and the subsequent issue of an appropriate direction.

5.3. The Applicant has applied to the National Energy System Operator (NESO) for an initial connection of 200MW with the ability to increase it in the future. The Applicant has signed an agreement for delivery in October 2034.

5.4. The Applicant has engaged with National Gas regarding the ability to connect into the nearby (1.6km) National Transmission System. Through this approach, National Gas has confirmed the availability of enough gas to deliver sufficient supplies to power the Proposed Development as planned (i.e., in excess of 1GW of electricity).

6. MEETING THE REQUIREMENTS OF A QUALIFYING REQUEST

6.1. This document constitutes a 'qualifying request' by the Applicant for a direction by the Secretary of State that the Proposed Development be treated as development for which development consent is required on the basis of its national significance. This section presents the legislative basis for this request. In addition, a draft direction is included at Annex 2 of this Statement.

6.2. This request is a 'qualifying request' as:

a. It is made in writing;

b. It specifies the development to which it relates (see section 3 above) thereby satisfying section 35 (1) of the PA 2008;

c. As of 7 January 2026, data centres are now development that forms part of a business or commercial project (or proposed project) of a prescribed description, satisfying section 35(2)(a)(ii) of the PA 2008;

d. The Proposed Development will be wholly located in England, thereby satisfying section 35(2)(b) of the PA 2008; and

e. Section 7 of this statement and the Economic Report at Annex 3 details the analysis to justify the Proposed Development as a development of national significance, satisfying section 35(2)(c) of the PA 2008.

6.3. For the purposes of section 35ZA of the PA 2008, the Applicant is a person who, if a direction under section 35(1) of the PA 2008 is given in relation to that development, proposes to apply for an order granting development consent for any of that development.

6.4. For completeness:

a. the Proposed Development does not include dwellings, and the Proposed Site is not inside the administrative areas of London and so section 35(4)-(5) do not apply; and

b. no application for a consent or authorisation mentioned in section 33(1) or (2) of the PA 2008 has been made.

7. NEED FOR A S35 DIRECTION - CASE FOR NATIONAL SIGNIFICANCE

7.1. This section presents the case for national significance in respect of the Proposed Development with reference specifically to section 35(2)(c) of the PA 2008.

7.2. When considering whether the Proposed Development is of national significance the Applicant has, in line with the Government's 2013 policy statement "*Extension of the nationally significant infrastructure planning regime to business and commercial projects*"[1] (the **Policy Statement**), considered:

[1] POLICY STATEMENT BY THE DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT: Extension of the nationally significant infrastructure planning regime to business and commercial projects, 2013

a. Whether a project is likely to have a significant economic impact, or is important for driving growth in the economy;

b. Whether a project has an impact across an area wider than a single local authority area;

c. Whether a project is of a substantial physical size; and

d. Whether a project is important to the delivery of a nationally significant infrastructure project or other significant development.

Consideration 1: Significant Economic Impact

7.3. The Applicant has appended to this statement an economic analysis looking at the impacts of the Proposed Development at Annex 3. That economic analysis establishes emphatically the significant economic contribution. The Applicant would highlight:

- **Job creation:** The project is estimated to create 710 – 1,145 direct jobs during the operational phase and significant temporary employment during the construction phase, with estimated annual worker expenditure reaching £3.6m in the operational phase.

- **Net additional employment:** At the national level, the Proposed Development is expected to generate up to 6,365 net additional jobs.

- **GVA:** It will contribute between £46m - £73m annually to the UK economy.

- **Tax revenue and business rates:** Expected annual contributions of £13.8m–£29.0m in taxes and £7.1m in business rates will enhance local and national government revenues.

7.4. The Proposed Development, together with the Generating Station, is expected to have capital investment of approximately £9.3 billion.

7.5. It is clear from Government policy and supporting evidence that the UK holds a globally significant position in the data centre sector, and is actively seeking to strengthen this through investment, infrastructure growth, and innovation; accordingly, the proposals for the Proposed Development represents a major data centre development that is both aligned with and essential to delivering these national ambitions in order for the country to reap the transformational productivity benefits of digitalisation.

Consideration 2: Impact across an area wider than a single local authority area

7.6. The Proposed Development is located in the jurisdiction of Central Bedfordshire. However, the Applicant's landholding (as shown edged blue in Annex 1) straddles land in both the jurisdictions of Central Bedfordshire and Bedford Borough Council (which given the plan is indicative may mean two local authorities could be engaged by the Proposed Development). In any event, the Proposed Development will have wider regional, national, and even international impacts wider than a single local authority.

7.7. The economic benefits are outlined above and in the Economic Report at Annex 3, which includes substantial national benefits, but the Applicant considers this understates the wider impacts. In particular, the campus is strategically located to serve London, which is not only the UK's primary technology hub but also a global centre for innovation and business. This prime location allows the campus to efficiently meet the needs of major hyperscale companies with headquarters or significant operations in London.

7.8. Supporting the claim that the data centre campus will have wider impacts, the Applicant notes the UK Government's green paper, Invest 2035: The UK's Modern Industrial Strategy (2024)[2],which sets out the government's vision for a 'modern industrial strategy'. The strategy focuses in detail on the growth driving sector of digital and technologies, and notes the importance of data centres in driving growth within the UK, explicitly stating that:

"*additional data centre capacity and access to fast, secure, and reliable digital connectivity is essential to enabling economic growth and to reap the transformational productivity benefits of digitalisation and the adoption of AI. Continued investment is in data centres is also needed to meet the ambitious targets to bring gigabit-capable broadband to all of the UK, and standalone 5G to all populated areas, by 2030*".

7.9. In relation to national impacts, the Applicant notes the wider and indirect impacts the Proposed Development can have on the labour market. According to TechUK[3], every job in data centre operations supports between 1.4 and 2.5 additional jobs in related sectors, amplifying the positive impact on growth and productivity. Alongside the substantial level of investment associated with the Proposed Development, the scheme will lead to economic benefits that are of substantial national significance.

7.10. The Applicant would also highlight that businesses are rapidly transitioning their day-to-day operations to the cloud, driving a significant increase in reliance on data centres. According to the Office for National Statistics, 69% of UK firms had adopted cloud-based computing systems and applications by 2023[4], up from about a quarter in 2018 – 2020. This upward trend can be attributed to companies migrating away from on-premises infrastructure.

7.11. As the UK economy continues to digitalise, secure and resilient data centre capacity has become a prerequisite for national economic stability. The International Monetary Fund (IMF) estimates that the full adoption of AI could increase productivity by up to 1.5 percentage points annually. If these potential gains are fully realised, they could contribute an average of £47 bn to the UK economy each year over the next decade[5]. The Proposed Development is a significant contribution to that end.

7.12. In relation to international impacts, the Independent Review of The Future of Compute: Final report and recommendations (March 2023)[6] found that "the UK is falling behind on compute and the government will need to take substantive action if it is to achieve its ambitions". The AI Opportunities Action Plan[7], responding to this, sets out the Government's strategic programme for establishing the UK as both a leading developer and adopter of artificial intelligence. It places particular emphasis on accelerating economy-wide adoption, transforming public services and securing national capability at the frontier of AI development. The plan is explicit that the UK must act at pace to avoid strategic disadvantage relative to international competitors and that success is contingent on putting in place the necessary physical, technical and regulatory foundations.

7.13. The UK's Modern Industrial Strategy (the "Strategy")[8], presented to Parliament in November 2025, identifies digital and data-driven technologies as priority growth sectors and confirms that additional data centre capacity is essential to unlocking investment. Furthermore, it recognises that "digital infrastructure is crucial for almost every aspect of doing

[2] Department for Business & Trade. 2024. Invest 2035: the UK's modern industrial strategy
[3] techUK. 2024. Foundations for the future: How data centres can boost UK economic growth
[4] Office for National Statistics: Management practices and the adoption of technology and artificial intelligence in UK firms: 2023
[5] Department for Science, Innovation and Technology: Prime Minister sets out blueprint to turbocharge AI, 2025.
[6] Department for Science, Innovation and Technology: Independent Review of The Future of Compute: Final report and recommendations, 2023.
[7] Department for Science, Innovation and Technology: AI Opportunities Action Plan, 2025.
[8] Department for Business & Trade: Invest 2035: the UK's modern industrial strategy, 2024.

business and will underpin the AI revolution," and that the UK's future economic competitiveness, resilience and security depend on significantly expanding compute capacity and the infrastructure that supports it.

7.14. The UK Digital Strategy[9] explicitly recognises data centres as a critical component of the UK's digital and industrial infrastructure. It states: "To strengthen the UK's position as a Science and Tech Superpower, we need to maintain the strong foundations of our digital economy" and "Digital infrastructure plays a vital role in our daily lives and is the foundation of a thriving digital economy.".

7.15. The exponential growth in global data usage is driven by several key factors, including the rise of cloud computing, the proliferation of connected devices through the Internet of Things and the increasing digitalisation of industries. As the reliance of businesses, governments, and individuals on data for decision-making, communication, and operations increases, the demand for robust infrastructure to store, process and analyse this data has surged. This expanding demand is reshaping the digital landscape, driving investments in data centres worldwide and associated innovation in areas including energy efficiency, connectivity, and security. The surge in data generation highlights the critical need for resilient, scalable data centres to support these growing functions.

7.16. The Proposed Development will contribute to these drivers, and the objective of securing the UK's position as a leading AI nation, providing at least 22% of the demand for data centres (see Annex 3). This responds directly to the UK Compute Roadmap published by the Department for Science, Innovation and Technology (July 2025)[10]. This roadmap evidences the scale, urgency, and nationally strategic nature of the infrastructure challenge. It concludes that, without rapid delivery of new capacity, "the UK risks being left behind" and becoming "over reliant on foreign infrastructure."

7.17. Given that the UK is the second largest data centre market in the world, meeting that demand in capacity constitutes a nationally significant delivery of capacity. The Proposed Development will therefore contribute to ensuring that UK businesses remain competitive globally by providing essential data infrastructure, therefore preventing potential data storage bottlenecks that could lead to investment losses to other countries, driving growth in the local and wider economy. As this would improve the UK position within the global context of AI infrastructure, the impacts in relation to the Proposed Development go well beyond a single authority and support the making of a section 35 direction.

Consideration 3: The Proposed Development is of substantial physical size.

7.18. When assessing physical size, the Applicant refers to the Policy Statement, specifically noting that it indicates size will not be a determining factor but there is an expectation that requests will relate to projects that are of a "substantial size." What is a "substantial size" can be guided further by the Policy Statement's assertion that:

"*the Secretary of State would not normally expect to receive requests for construction projects where the gross internal floorspace to be created by the project is less than 40,000m2*".

7.19. With regard to the application of the reference to 'construction projects,' the Policy Statement states:

"*The draft Regulations published today prescribe the types of business and commercial projects that are capable of using the regime. They are construction projects in a range of*

[9] Department for Digital, Culture, Media & Sport: UK Digital Strategy, 2022.
[10] **UK Compute Roadmap - GOV.UK**

fields that are potentially nationally significant, including offices, research and development, manufacturing, distribution, sport and tourism, and mining projects."

7.20. Whilst it is noted there is no direct reference to data centres, likely a consequence of the Policy Statement preceding data centres being designated as a prescribed project, a reasonable interpretation of the paragraph set out above is that data centres would be caught by the reference to 'construction projects.'. As a result, the 40,000sqm referenced above will be applied to the Proposed Development to test whether it is of a significant size.

7.21. The Proposed Development consists of four data centre buildings that will be 41,000 sqm GIA each, totalling 164,000 sqm across the campus. This substantially exceeds the threshold of 40,000 sqm. Additional facilities include a complementary use building (13,400 sqm GIA) and a dedicated science, technology, engineering, and mathematics training centre (1,200 sqm GIA), further underscoring the project's scale and multi-functional purpose. The threshold in the Policy Statement is therefore readily met.

7.22. Importantly when measuring the size of data centres, IT load is used as the industry standard measurement. The Proposed Development allows for the development of 1GW AI ready data centre (720MW IT load).

7.23. There are a limited number of data centres or campuses of this scale in the UK as demonstrated by the list below:

a) Humber Tech Park (permitted in August 2024) – 384 MW data centre in North Lincolnshire.

b) DC10 / Equinix (permitted in January 2025) – 320 MW data centre in Hertfordshire.

c) Vantage (operational) – 90 MW data centre in Newport.

7.24. The SDC M40 Campus, which was recently granted a s35 Direction, is designed for an IT load of up 300MW. The Applicant therefore considers the substantial scale of the Proposed Development – over twice the IT load of the proposed SDC M40 Campus – strongly supports this consideration and therefore the making of a section 35 direction.

Consideration 4: Whether a Proposed Development is important to the delivery of a nationally significant infrastructure project or other significant development.

7.25. As further detailed below, the Proposed Development is functionally and integrally linked to the delivery Generating Station, and therefore the Proposed Development is important to the delivery of an NSIP.

Additional Consideration 5: The Proposed Development is important to the delivery of projects Government objectives and critical national infrastructure

7.26. Being primarily the development of a data centre campus, the below examples of Government strategies and statements support the assertion that the Proposed Development is clearly important to the delivery of Government objectives and important to the delivery of nationally significant infrastructure.

7.27. The UK Government designated data centres as critical national infrastructure ("CNI") on 12 September 2024. In making the decision, the Government noted that the CNI designation will support the enhanced resilience of the sector to ensure that the country is a global leader for data security. It was further stated that the CNI designation will give businesses in the UK greater reassurance over the safety of their data, highlighting the importance of

data centres in securing national security, and will assist in achieving sustainable economic growth[11]. This designation puts data centres on an equal footing as water, energy, and emergency services systems.

7.28. The need for data centres, such as the Proposed Development, has been recognised by the UK government in a number of policy statements:

a) **The National Data Strategy** (December 2020)[12] noted:

"The need to store and process data externally – for example, in data centres – will also become even more of a critical operating function."

b) **Designation of UK Data Infrastructure as Critical National Infrastructure and the Telecoms Supply Chain Diversification Advisory Council Report** (September 2024 statement)[13]:

The Government confirms that data infrastructure "underpins essential services that are critical to the UK economy and our way of life and will only become more vital as technologies like AI require greater data centre and cloud capacity", clearly establishing the need not only to protect existing assets but to enable substantial new capacity in response to accelerating demand. The statement outlines Government support for expansion of the sector. It confirms that CNI designation is intended to improve Government engagement with industry and to ensure "the right conditions are in place to drive necessary capacity expansion to support economic growth and innovation."

c) **National Planning Policy Framework** (February 2025)[14]

The February 2025 update to the National Planning Policy Framework ("NPPF") provides clear and explicit national policy support for data centres as essential infrastructure required to support a modern, competitive economy. Within Section 6 (Building a strong, competitive economy), the revised NPPF introduces specific references to data centres and digital infrastructure.

Paragraph 86 of the NPPF now states that planning policies should:

"*pay particular regard to facilitating development to meet the needs of a modern economy, including by identifying suitable locations for uses such as laboratories, gigafactories, data centres, digital infrastructure, freight and logistics*."

d) **Cyber Security and Resilience Policy Statement** (April 2025)[15]

The Cyber Security and Resilience Policy clearly detail the expansive impact of data centres on the wider economy, particularly noting:

"*Data centres house and support the technology and data that meet the demands of our digital lives… underpin almost all economic activity and innovation… Disruption or compromise of data centre infrastructure can therefore have significant negative impacts on the public, businesses, and national and economic security.*"

[11] Department for Science, Innovation and Technology: Data centres to be given massive boost and protections from cyber criminals and IT blackouts, 2024.
[12] Department for Digital, Culture and Media & Sport: UK National Data Strategy, 2020
[13] Designation of UK Data Infrastructure as Critical National Infrastructure and the Telecoms Supply Chain Diversification Advisory Council Report: Statement by Minster for Data Protections and Telecoms, 2024
[14] Ministry of Housing, Communities and Local Government (': National Planning Policy Framework, 2024
[15] Department for Science, Innovation and Technology: Cyber security and resilience policy statement, 2025

The Proposed Development, including the development of four data centre rooms, clearly falls under the government's move to push for data centre development to strengthen the UK economy.

e) **UK Compute Roadmap** (July 2025)[16]

The UK Compute Roadmap, published jointly by the Department for Science, Innovation and Technology ('**DSIT**') and UK Research and Innovation, provides a clear, quantified assessment of the UK's future compute needs to support artificial intelligence, science, innovation, and economic growth. It makes clear that meeting the "scale, speed and opportunities of the AI-enabled economy of the future" requires infrastructure that is "fit for purpose." The UK Compute Roadmap positions computational power as a foundational input not only for frontier AI capability but also for wider national objectives across science, public services, and growth, emphasising that demand for frontier AI compute is expected to increase "10,000 times by the end of the decade".

f) **Government "Data Centres" Fact Sheet published by DSIT** (March 2026)[17]

When noting why data centres are now recognised as a sector under the Network and Information Systems (NIS) Regulations 2018, the government notes that data centres "are critical to nearly all economic activity and public services".

7.29. The Applicant stresses that the **AI Opportunities Action Plan** (January 2025)[18] makes clear that progress in AI is inseparable from a substantial expansion in computing infrastructure. It states that AI development depends on data centres for both model training and inference and that the Government must secure access to a sufficient supply of computational power. This requirement is articulated through a three-part portfolio comprising sovereign, domestic (privately owned) and international capacity, with domestic computational power identified as critical to economic security, investment attraction, and resilience.

7.30. The **AI Opportunities Action Plan: Government Response** (January 2025)[19] constitutes the Government's formal acceptance of the AI Opportunities Action Plan and confirms the recommendations that are being taken forward. In respect of data centres, the Government Response sets out a clear and operational delivery pathway, and affirms the Government is "committed to building cutting-edge, secure, and sustainable AI infrastructure." It commits to expanding sovereign computational capacity "by at least 20x by 2030".

7.31. The Applicant therefore considers the above policies make clear that the Proposed Development is important, and critical, to the delivery of nationally significant projects. The section directly below further outlines the interface between the Proposed Development, and the Gas Generating Station as a specific NSIP.

Additional Consideration 6: The Proposed Development's interface with other consents, and NSIPs

7.32. The Policy Statement also recognises that the following points are also relevant considerations:

[16] Department for Science, Innovation & Technology: UK Compute Roadmap, 2025
[17] Department for Science, Innovation & Technology: Policy Paper, Data Centres, 2026
[18] Department for Science, Innovation and Technology: AI Opportunities Action Plan, 2025
[19] Department for Science, Innovation and Technology: AI Opportunities Action Plan: government response, 2025

a. Whether a project is likely to require multiple consents or authorisations, meaning it would benefit from the single authorisation process offered by the nationally significant infrastructure regime.

b. Whether the project is related to a nationally significant infrastructure project being brought forward at the same time and therefore would benefit from the scheme being considered as a single application through the PA 2008 regime.

7.33. For the reasons set out below, both of these considerations weigh strongly in favour of making a direction under section 35 of the PA 2008.

7.34. Currently, planning permission for the Proposed Development must be secured through the Town and Country Planning Act 1990. It is not an NSIP and therefore, absent a direction from the Secretary of State, it cannot be authorised under the PA 2008. Conversely, the Generating Station component is an NSIP automatically and must be authorised under the PA 2008.

7.35. The Proposed Development is not a standalone commercial development; its viability and purpose are closely related to the dedicated energy provision required to support an IT load of this magnitude. The proposals for the Generating Station to power the Proposed Development, and the relationship between the Proposed Development and the Generating Station, therefore adds significant additional weight to the case for national significance in respect of the Proposed Development.

7.36. Therefore, if the Proposed Development is not directed into the PA 2008 regime, it will be necessary to proceed with submitting a DCO application for the Generating Station and associated development and seek a separate planning permission under the Town and Country Planning Act 1990, as amended, for the Proposed Development and other related development. The inter-related nature of both applications means a disaggregated consenting strategy would add unnecessary complexity and delay to both the Proposed Development and the Generating Station for the reasons further detailed below:

7.36.1. Two separate processes for local communities, with different requirements and timescales, would inevitably place additional burdens to public funds (i.e., through the use of two administrative routes, instead of one);

7.36.2. Without the section 35 Direction, the Applicant would also need to obtain other ancillary consents with differing timescales and involving the input of multiple consenting bodies (such as traffic management, building controls, and water and drainage consents) adding further delay;

7.36.3. If a single consenting route was not utilised, the Proposed Development (and, separately, the Generating Station) would have different timeframes associated with securing the consents and there would be additional complexity around, for instance, the structuring of the planning applications and the discharge of relevant conditions and requirements. The conditions, for example, attached to an approval in relation to the Proposed Development may differ from the condition attached to its planning permission, which in turn may be inconsistent with a Requirement imposed in relation to the Generating Station under a Development Consent Order; and

7.36.4. There is a potential for the disaggregation between the Proposed Development and the Generating Station in separate planning applications to give rise to a risk about the definition of the “project” for the purposes of an Environmental Impact Assessment. In particular, the disaggregation may give rise to the risk of a legal challenge about whether an assessment should consider the environmental impacts of the other in the scope of their assessment.

7.37. For all these reasons, a fragmented approach would risk the realisation of government supported data centre development and a recognised NSIP and go against policies that support streamlined mechanisms to avoid unnecessary delay, specifically CNI development. The Applicant particularly notes the Planning Reform's Working Paper recognising the need for faster decisions under the NSIP system ensuring "arriving at a decision is as streamlined and as proportionate as possible"[20].

7.38. In addition to risking the speedy development of critical infrastructure, unnecessary delay will add further burden to the public purse that could otherwise be avoided.

7.39. Notwithstanding that the Applicant owns the Proposed Site; there may be a need for compulsory acquisition powers. In the event the Applicant is unable to acquire all necessary land or rights by voluntary agreement with landowners (for example, in respect of access or grid connection infrastructure), the Applicant would need to seek to secure compulsory acquisition powers to ensure the deliverability of the Proposed Development. A direction under s35 would help to ensure that such powers of compulsory acquisition may be sought and, if justified, included within the DCO.

8. REQUESTS FOR ADDITIONAL DIRECTIONS

8.1. Under section 35ZA(5)(b) of the PA 2008, when giving a direction under section 35ZA(3), the Secretary of State can direct that provisions under the PA 2008 can be treated as having been complied with.

8.2. The Applicant requests, should he be minded to grant the direction, that the Secretary of State uses this power to direct that the Applicant has complied with provisions of sections 42 and 47 of the PA 2008. These provisions relate to the duty to carry out statutory consultation. These provisions are proposed to be repealed under the Planning and Infrastructure Act 2025.

8.3. The Applicant acknowledges that the relevant provisions have not yet commenced but makes this request on the basis that:

a) it is likely that the provisions will be brought into force before the end of this year,

b) the effect of the direction would be consistent with Government policy,

c) such a direction would allow the Applicant to more effectively forward manage its proposed consenting programme responding to the urgent need for the Proposed Development and

d) the Proposed Development would not be subject to any duty to consult on a statutory basis if it was not directed into the regime.

8.4. The Written Ministerial Statement, which accompanied the Planning and Infrastructure Act 2025[21], confirms that:

> *"…Burdensome statutory consultation requirements unique to major infrastructure projects will be scrapped…Developers currently spend significant time and money on long, technical documents resulting in communities feeling fatigued and confused, which is a direct result of overly complex planning rules that are leaving working people deprived of the things their areas need to thrive. It also disincentivises*

[20] Planning Reform Working Paper: Streamlining Infrastructure Planning, 2025

[21] Ministry of Housing, Communities and Local Government: Planning reforms to slash a year off infrastructure delivery, 2025

developers making improvements to projects for fear of having to re-consult, even if in the community's best interest."

8.5. In March 2026, Government published "Ministers rip up consultation culture"[22] which makes clear that it intended to "End the introduction of unnecessary reporting and consultation requirements…". The Government's implementation plan confirms that it will be publishing guidance documents in due course.

8.6. The Applicant emphasises that it is committed to effective engagement with the local communities. The Applicant intends to carry out engagement with local authorities and is committed to pursuing thorough engagement with wider stakeholders and third parties who have interest in land impacted by the Proposed Development. However, the Applicant considers the exceptional circumstances of a project being directed in, at this stage, would benefit from the certainty of being clear which statutory requirements apply to it.

8.7. In particular, if this additional direction were not granted, the Proposed Development would potentially have to carry out unnecessary and costly document production on a precautionary basis even when those requirements are to be removed (as is anticipated, and consistent with Government policy) or instead have to await certainty before proceeding thereby delaying the Proposed Development. Such a delay, even of a limited period, would be contrary to urgent need for CNI as set out above.

8.8. In the alternative, the Applicant notes that section 35ZA(5)(a) PA 2008 contains the power for the Secretary of State to provide for specified provisions of the PA 2008 "to have effect in relation to the application, or proposed application, with any specified modifications". If the Secretary of State is minded to agree with the request, an alternative would be to modify the application of section 42 and 47 PA 2008 as though they do not apply to the Proposed Development, noting that 'modification' includes modifying the application of legislative provisions.

9. CONCLUSION

9.1. In summary, a section 35 direction is sought for the Proposed Development because it meets the legal tests and is of national significance for the reasons described within the main body of this request and the supported Annexes.

9.2. A section 35 direction in respect of the Proposed Development would reflect the Government's intention to secure data centre infrastructure, now recognised as CNI, in the UK in a timely manner, without burdening the public purse, and without threatening the coordinated development of a related energy NSIP.

9.3. The Applicant is looking forward to making a major and significant contribution to the Government's commitment to expedite the delivery of critical AI infrastructure.

9.4. Should you have any further queries, please contact Mustafa Latif-Aramesh at Mustafa.Latif-Aramesh@TLT.com and Tom Henderson at TomHenderson@TLT.com.

[22] Ministers rip up consultation culture, 2026.

ANNEX 1: PLAN OF PROPOSED SITE

NOTES

1. DO NOT SCALE FROM THIS DRAWING MANUALLY OR ELECTRONICALLY.
2. THIS DRAWING IS TO BE READ IN CONJUNCTION WITH ALL OTHER RELEVANT PROJECT INFORMATION.
3. ALL DATUM LEVELS ARE IN METRES AND DIMENSIONS ARE IN MILLIMETRES UNLESS OTHERWISE STATED.
4. MAPPING IS BASED UPON THE ORDNANCE SURVEY MAP.

KEY:

- LAND OWNERSHIP BOUNDARY
- DEVELOPMENT BOUNDARY
- SECURE FENCELINE
- DEVELOPMENT ROAD / HARD LANDSCAPING
- DEVELOPMENT BUILDING
- WATERBODY
- FUTURE PUBLIC FOOTPATH
- TREES / VEGETATION AREA
- LANDSCAPE AREA
- TREES / VEGETATION

Rev	Date	Amendment Details	Dr'n	Chk'	App'
P02	06.02.2025	ADDITIONAL SUBSTATION INCLUDED	JF	BF	BF
P01	10.12.24	FIRST ISSUE	JF	SO	SO

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Client: QUEST PIT LIMITED

Project Title: QUEST PIT DEVELOPMENT

Drawing Title: DEVELOPMENT PLAN

Purpose Of Issue: PRELIMINARY

Status	Status Description
S0	INITIAL STATUS OR WIP

Drawn	Checked	Approved
JF	SO	SO

Sheet Size	Scale	5DM Ref	Revision
A0	1:2000	230012	P02

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ANNEX 2: DRAFT SECTION 35

DIRECTION BY THE SECRETARY OF STATE FOR HOUSING, COMMUNITIES AND LOCAL GOVERNMENT UNDER SECTION 35(1) OF THE PLANNING ACT 2008 RELATING TO A PROPOSED DATA CENTRE CAMPUS IN BEDFORDSHIRE

By email to the Secretary of State dated 24 April 2026, TLT LLP on behalf of Questpit Limited ("the Applicant") formally requested that the Secretary of State exercise the power vested in the Secretary of State under section 35(1) of the Planning Act 2008 (as amended) ("the Planning Act") to direct that the proposed data centre campus ("the Proposed Development") as set out in the Applicant's formal request, be treated as development of national significance for which development consent is required.

The Secretary of State has made a decision within the deadline set out in section 35A(4) of the Planning Act and wishes to convey that decision.

Having considered the Applicant's formal request (as set out in the consolidated document) and the details of the Proposed Development, the Secretary of State is satisfied that:

• the Proposed Development is a business or commercial project of a prescribed description for the purposes of section 35(2)(a)(ii) of the Planning Act and regulation 2(a)(i) of the Infrastructure Planning (Business or Commercial Projects) Regulations 2013, as amended ("the Regulations"), consisting wholly or mainly of the construction of one or more of the matters in the Schedule to the Regulations (namely paragraphs 1, 2 and 10);

• the Proposed Development is within England; and

• The Applicant's formal request constitutes a "qualifying request" in accordance with section 35ZA(2) of the Planning Act.

The Secretary of State notes that the Proposed Development comprises the following as detailed or referred to in the Applicant's qualifying request and further information:

• a data centre campus of up to four data centre buildings with a proposed IT load of up to c.720MW across the four buildings.

Having considered the details of the Proposed Development against the criteria in the 2013 Policy Statement for the extension of the nationally significant infrastructure planning regime to business and commercial projects, and all other relevant matters, the Secretary of State is of the view that the Proposed Development by itself is of national significance for the following reasons:

• the proposal would be likely to have a significant economic impact;

• the proposal would be important in driving growth in the economy;

• the proposal would have an impact on an area wider than a single local authority area;

• the Proposed Development is related to a proposed gas generating station project for which development consent is required and would benefit from being considered as a single application.

The Secretary of State considers that if the details of the Proposed Development change, before submitting any application to the Planning Inspectorate, the Applicant may wish to seek confirmation from the Secretary of State that the development which is to be the subject of the proposed application is the same as that for which this Direction is given.

THE SECRETARY OF STATE HEREBY DIRECTS that the Proposed Development is to be treated as development for which development consent is required. Any application for development consent for the Proposed Development may also include any matters that may properly be included in a development consent order (in accordance with section 120 of the Planning Act) including ancillary matters (section 120(3)) and associated development (within the meaning of section 115(2) of the Planning Act).

THE SECRETARY OF STATE FURTHER DIRECTS without prejudice to any non-statutory engagement to be carried out, further directs under section 35ZA(5)(b) of the Planning Act that the provisions under sections 42 and 47 of the Planning Act have been complied with as part of the application for the Proposed Development and are thereby discharged.

THE SECRETARY OF STATE FURTHER DIRECTS in accordance with section 35ZA(3)(b) of the Planning Act that any proposed application for a consent or authorisation mentioned in section 33(1) or (2) of the Planning Act for the Proposed Development is to be treated as a proposed application for which development consent is required. This direction is given without prejudice to the Secretary of State's consideration of any application for development consent which may be made in relation to all or part of the Proposed Development.

ANNEX 3: VOLTERRA ECONOMIC REPORT

Quest Park Data Centre Campus

Economic need and benefits

April 2026

volterra.co.uk

Quest Pit Limited

Contents

1. Glossary of terms

Term	Definition
AI	Artificial intelligence
AI startups	Start-ups that are characterised by their unique approach to integrating AI into their business models and operations.
CNI	Critical National Infrastructure. Designated infrastructure vital for national security and economic resilience.
Data centre	A designated facility that stores, manages, and shares digital data for businesses and organisations.
Enterprise data centre	A data centre owned and used by a single firm, commonly located near other operations of the firm.
FTE	Full-time equivalent
GIA	Gross internal area
GVA	Gross value added
GW	Gigawatt
Hyperscalers	Large cloud service providers, which can provide services such as computing and storage at enterprise scale.
IT load	Data centre load that is consumed or is dedicated to IT equipment such as servers, storage equipment and communications switches and routers.
IMF	International monetary fund
MW	Megawatt
NIA	Net internal area
National Data Strategy	A UK government framework to maximise the value of data in driving economic growth, innovation, and societal benefits.
NPPF	National Planning Policy Framework
NTS	National Transmission System
Power load	Total power requirements, including IT load as well as the additional power needed such as power for lighting.
PUE	Power usage effectiveness
STEM	Science, Technology, Engineering, and Mathematics
Technology service providers	A business that offers IT services to other businesses, including cloud storage, server maintenance, system administration, authentication, software-as-a-service, web hosting and more.
Unicorn company	A privately-owned startup company that is valued at over $1bn USD.
Wholesale Co-location Facility	A data centre operated by a manager, providing storage for multiple large firms that lease space on-site.

2. Executive summary

The Proposed Development will deliver substantial economic benefits and play a critical role in driving economic growth

2.1 The Proposed Development is expected to have the following transformative economic benefits, contributing significantly to both the local and national economy:

- **Job creation**: The project is estimated to create 710 – 1,145 direct jobs during the operational phase and significant temporary employment during the construction phase, with estimated annual worker expenditure reaching £3.6m in the operational phase.
- **Net additional employment**: At the national level, the Proposed Development is expected to generate up to 6,365 net additional jobs.
- **GVA:** It will contribute between £46m - £73m annually to the economy. Net additional GVA will contribute £207m - £421m to the national economy.
- **Tax revenue and business rates**: Expected annual contributions of £13.8m–£29.0m in taxes and £7.1m in business rates will enhance local and national government revenues. Net additional tax will contribute £62m - £168m to the national economy.

2.2 The Proposed Development supports a range of government policies, including the newly released AI Opportunities Action Plan and the UK's Invest 2035 industrial strategy, which prioritise digital infrastructure to promote growth in high-value sectors such as AI, cloud computing, and life sciences. The Proposed Development will contribute to ensuring that UK businesses remain competitive globally by providing essential data infrastructure, therefore preventing potential data storage bottlenecks that could lead to investment losses to other countries, driving growth in the local and wider economy.

2.3 The UK Government's focus on AI (AI Opportunities Action Plan and the UK Compute Roadmap, described in more detail below), presents a significant opportunity to boost productivity and drive economic growth, benefiting both individuals and businesses. The International Monetary Fund (IMF) estimates that the full adoption of AI could increase productivity by up to 1.5 percentage points annually. If these potential gains are fully realised, they could contribute an average of £47bn to the UK economy each year over the next decade. This plan integrates AI into the nation's strategic framework, revolutionising our public services and putting more money in people's back pockets.[1] This increased adoption of AI relies heavily on the expansion of data centres in the UK.[2]

2.4 The Proposed Development is designed to support high-demand workloads associated with AI and machine learning. This includes AI-ready infrastructure, advanced cooling systems, carbon capture capabilities, and provisions for future upgrades, ensuring that the facility remains at the forefront of technological advancements. AI-ready data centres are specifically referred to in the governments AI Opportunities Action Plan.

2.5 The Proposed Development also aligns with the objectives of the UK Compute Roadmap, which states that "the UK will need at least 6GW of AI-capable data centre capacity by 2030", by contributing to the delivery of large-scale, AI-ready infrastructure required to meet this growing demand. The Proposed Development will therefore contribute to helping make the UK become the number one place for AI firms to invest, which is vital if Britain is to be at the forefront of this industry.[3] Increased AI adoption across the UK will boost economic growth, provide jobs for the future and improve people's everyday lives. [4]

[1] Department for Science, Innovation and Technology. 2025. Prime Minister sets out blueprint to turbocharge AI

[2] Department for Science, Innovation and Technology. 2025. Prime Minister sets out blueprint to turbocharge AI

[3] Department for Science, Innovation and Technology. 2025. Prime Minister sets out blueprint to turbocharge AI

[4] Department for Science, Innovation and Technology. 2025. AI Opportunities Action Plan

The Proposed Development's impact beyond Central Bedfordshire

2.6 The influence of the Quest Park Data Centre Campus will extend beyond the boundaries of Central Bedfordshire, benefiting wider regional and national areas. In addition to the onsite construction jobs it creates, the Proposed Development will generate many more jobs across the England and Wales[5] through its supply chain. At the national level, the Proposed Development is expected to generate up to 6,365 net additional jobs. These include roles in manufacturing, logistics, and other industries needed to produce and deliver the specialist equipment for the data centre. This highlights how the development will support economic growth and create job opportunities in a range of areas.

2.7 In addition, the campus is strategically located to serve London, which is not only the UK's primary technology hub but also a global centre for innovation and business. London is currently experiencing a significant surge in AI activity. Investment in London-headquartered AI start-ups reached a record $3.5bn in venture capital in 2024, representing a 52% increase on the $2.3bn raised in 2023.[6] According to the Tech Nation 2025 report, the UK tech ecosystem is now valued at around $1.2tn US dollars, making it the largest in Europe and more than double the combined value of France and Germany.[7] As Europe's top tech hub, the majority of the continent's tech companies are concentrated in London and the South-East. This makes the location of the Proposed Development viable to host a large number of potential customers outside of the Central Bedfordshire local authority.

2.8 The inclusion of a dedicated training, education and research centre ensures workforce skill enhancement, with flow on knowledge benefits likely spreading across the region/nation.

The Proposed Development is of national significance

2.9 Data centres have become a focal point in the UK's efforts to advance its digital infrastructure, earning their designation as Critical National Infrastructure (CNI) by the government in 2024.[8] This is the first CNI designation in almost a decade, since the Space and Defence sectors gained the same status in 2015, emphasising their importance in supporting economic resilience, national security, and the digital economy.

2.10 As mentioned above, in January 2025, the Department for Science, Innovation and Technology (DSIT) published its **AI Opportunities Action Plan**.[9] This action plan underlines the national significance of data centres - a major focus of the plan is on continued investment in computational power, which relies heavily on the expansion of data centres in the UK.[10] The Proposed Development, with its 720MW IT load capacity will play a critical role in fulfilling these needs.

2.11 In addition to this, there is strong evidence of rapid growth in the demand for digital services, including cloud computing, AI and data-intensive applications, which is driving a corresponding increase in the need for data storage and processing capacity. **Figure 1** illustrates a range of estimated future demand for the UK data centre market over the next five years. These projections, in terms of MW, show that the UK data centre market is expected grow between 61% and 149% between 2025 and 2030 at a compound annual growth rate of 10% and 20% per year, respectively.[11] This increase in MW represents not just a growth in the

[5] The Applicant has advised, from experience of other data centre projects in England, that Wales is home to the majority of factories that manufacture specialist data centre equipment in the UK, and therefore it is likely that a number of supply chain jobs will come from Wales.

[6] London & Partners. 2025. London Hits All-Time High for Venture Capital Investment into AI in 2024.

[7] TechUK. 2026. UK Tech in 2025 and what comes next for 2026.

[8] Department for Science, Innovation and Technology. 2024. Data centres to be given massive boost and protections from cyber criminals and IT blackouts

[9] Department for Science, Innovation and Technology. 2025. AI Opportunities Action Plan

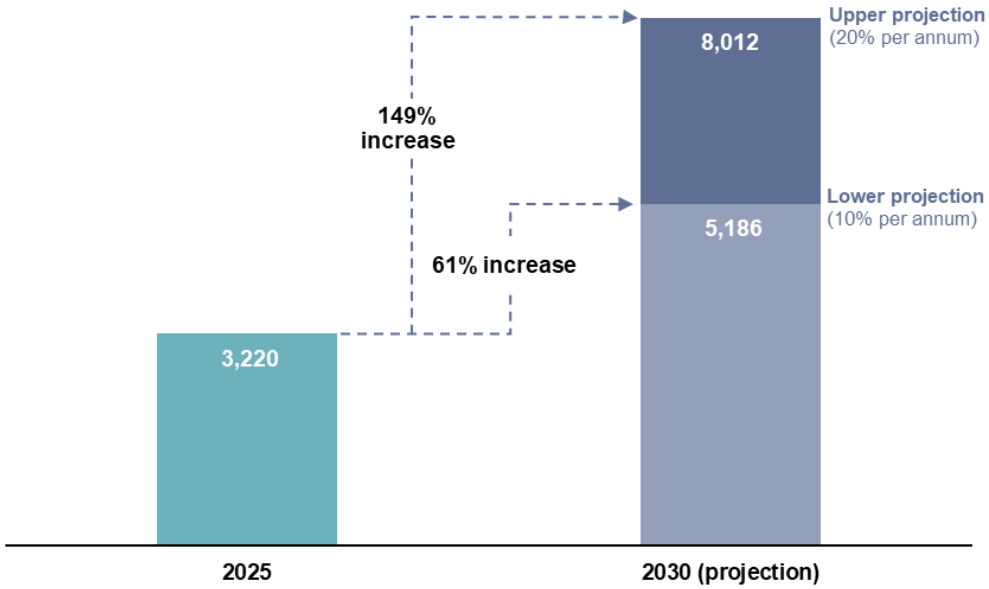
[10] Pinsent Masons. 2025. Data centre development at the centre of UK AI plan

[11] Fields & Rudd. 2024. The Current State of the UK Data Centre Storage Market

number of data centres, but a shift towards higher-capacity facilities required to support more intensive digital workloads.

Figure 1 – In terms of IT load MW demand, based on projections prepared in 2024, the UK data centre market is expected to grow by between 61% and 149% over the next five years.

Lower and upper projection of the total UK data centre market size, from 2025 to 2030



Source: Mordor Intelligence.2026. United Kingdom Data Centre Market size and share analysis; Oxford Economics, 2025. The UK's data centre boom: growth trends, drivers, and the rising power challenge

2.12 The recent announcement of the **AI Opportunities Action Plan,** alongside rapid advancements being made in AI technology and use over the past year, brings in the potential for these forecasts to underestimate future demand, particularly in the longer-term. These projections, largely prepared in 2024, did not fully reflect the current level of government focus and policy support for AI, which is now more clearly articulated and prioritised. They do not take into account the exponential rate of expected growth in demand for data centre capacity as a result of this AI expansion, which is difficult to estimate, but will likely be significantly higher than 20% annual growth in the future.

2.13 The **UK Compute Roadmap (2025)** provides a more up-to-date assessment, stating that the UK will require at least 6GW of AI-capable data centre capacity by 2030, representing a threefold increase on current levels.[12] In addition, total UK compute demand is projected to increase by between four and seven times current (2025) levels by 2035. Applying this trajectory over a shorter (5 year) time horizon suggests that demand could increase by approximately two to three-and-a-half times by 2030, indicating that even the upper bound scenario of 20% annual growth may underestimate future requirements. That is, a three-fold increase in the market size would increase the demand to almost 10GW (3,220MW multiplied by 3) in 2030.[13]

2.14 Furthermore, the Proposed Development contributes to addressing this need by delivering a minimum 720MW of data storage capacity (at current PUE capability, which is expected to improve in the future with technological advancements), equating to 22% of the current demand (2025). This scale, nearly 2.9 times the capacity of Next Generation (250MW)[14], the UK's largest existing data centre, positions it as a nationally significant solution to alleviate pressure on the UK's digital infrastructure, preventing potential economic slowdowns caused by inadequate resources.

[12] GOV.UK, 2026. UK Compute Roadmap

[13] DSIT, 2025. Compute Evidence Annex

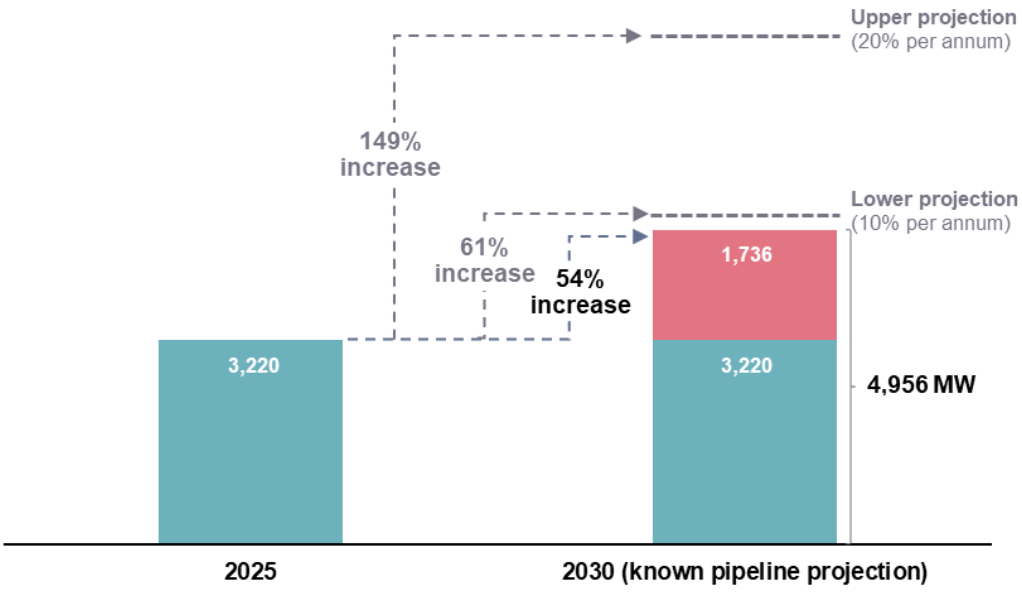
[14] Optrium, 2026. What is the biggest data centre in the UK?

2.15 Whilst the pipeline of data centres coming forward in the UK appears to be relatively strong, it is clear that even in the low growth scenarios, demand means that significant additional capacity is required.

2.16 **Figure 2** presents the approved IT load from data centre developments in the UK that is expected to be operational by 2030.

Figure 2 - Based on the identified pipeline, UK data centre supply is likely to increase by approximately 8% per annum to 2030, which falls below the lower bound of projected short-term demand.

Data centre developments in the pipeline across the UK, expected or likely to be operational by 2030



Based on the identified pipeline, total data centre capacity is projected to increase by approximately 54% (1,736 MW) by 2030. This falls below the lower bound of projected demand growth (61%), indicating a shortfall in supply. It should be noted that this is a relatively short-term view, and additional large-scale schemes are emerging in the pipeline (see paragraph **5.41**), however all are longer-term in nature and/or subject to delivery uncertainty.

2.17 AI workloads, especially generative AI, require far more power and specialised infrastructure than traditional cloud computing. By 2030, it is expected that roughly 70% of total data centre demand will be for facilities capable of handling advanced AI workloads.[15]

2.18 The current pipeline, however, remains largely focused on traditional cloud and colocation provision, which is not optimised to support these requirements. Only a limited number of schemes expected to be operational by 2030 are explicitly designed to support AI-ready infrastructure, including QTS – Cambois, CloudHQ – Didcot, Court Lane – Buckinghamshire and Elsham Tech Park.

2.19 The combined AI-ready capacity of these schemes is estimated to be in the order of 1,000MW by 2030. By comparison, 70% of the lower bound increase in demand identified in **Figure 1** equates to approximately 1,376MW. This indicates a shortfall even against conservative demand assumptions.

2.20 Moreover, the UK Compute Roadmap stating that the UK will need at least 6GW of AI-capable data centre capacity by 2030 highlights the potential scale of the gap between supply and demand. Tech entrepreneurs, analysts and investors argue the UK will struggle to meet this target, given the majority of its current data

[15] McKinsey & Company. 2024. AI power: Expanding data centre capacity to meet growing demand

centres are not optimised for AI and concentrated around London.[16] **This suggests that the AI segment of the data centre market in particular, is not currently being adequately addressed, and that there is a pressing need for additional purpose-built facilities, such as the Proposed Development, to meet emerging requirements.**

2.21 In summary, while there remains uncertainty about the precise scale and type of future data centre requirements, using 2030 as a proxy suggests the current pipeline is very unlikely to meet overall demand or the demand for AI-optimised infrastructure. This indicates that a significant number of large-scale data centres may need to become operational within the next decade to meet anticipated growth.Error! Reference source not found.

2.22 The Proposed Development does not face the power limitations that many other sites and proposals will face. Before securing a connection to the national grid in 2034, the development will be powered via a gas pipeline from the National Transmission System (NTS). This positions the development uniquely to meet the expected step change in demand. In terms of scale, the Proposed Development would be one of the largest of the data centre projects currently in the UK pipeline. It will greatly add to the resilience of the market, and its readiness to support AI workloads positions it as a leader in addressing future industry requirements, thereby being of national significance.

[16] FDI Intelligence, 2025. The UK's growing 'compute gap' threatens AI ambitions

3. Introduction

Purpose of the report

3.1 Volterra Partners LLP has been commissioned by Quest Pit Limited ('the Applicant') to provide a headlines assessment of the economic need for a data centre campus ('the Proposed Development') at Quest Park ('the Site') situated in Stewartby, within the local authority of Central Bedfordshire.

3.2 The aim of this report is to provide economic needs headlines that support a Section 35 planning application by demonstrating the need for data centres both in the UK, and in the more specific location of the Proposed Development, and setting out that the Proposed Development will deliver economic benefits, both locally and nationally.[17]

The Proposed Development

3.3 Approval to develop the Site into a film studio was granted in June 2024. However, as outlined above, the Applicant now seeks to develop the Site into a data centre campus. The Proposed Development would represent a similar footprint to the approved film studio.

3.4 The Proposed Development will include data centre buildings with a combined power requirement of 1GW. This 1GW energy load is equivalent to an approximate 720MW IT load. This assumption is based on current levels of power usage effectiveness (PUE) capability at data centres, which are expected to improve over time with technological advancements. As such, this IT load figure is indicative and subject to revision as the detailed design of the scheme evolves. The campus will comprise four separate data centre buildings, each with three data halls of 60MW IT load (totalling 180MW IT load, at today's PUE, and power of 250MW). Each building is expected to be 41,000 sqm gross internal area (GIA) in size.

3.5 In addition, each building will have:

- Its own gas-powered generation units to ensure reliable and resilient energy supply.
- Advanced cooling equipment will be installed to maintain optimal operating conditions, enhancing energy efficiency and performance.
- Dedicated office spaces to support operational and administrative activities.
- Infrastructure to explore carbon capture technologies, setting a benchmark for sustainability in the data centre industry.

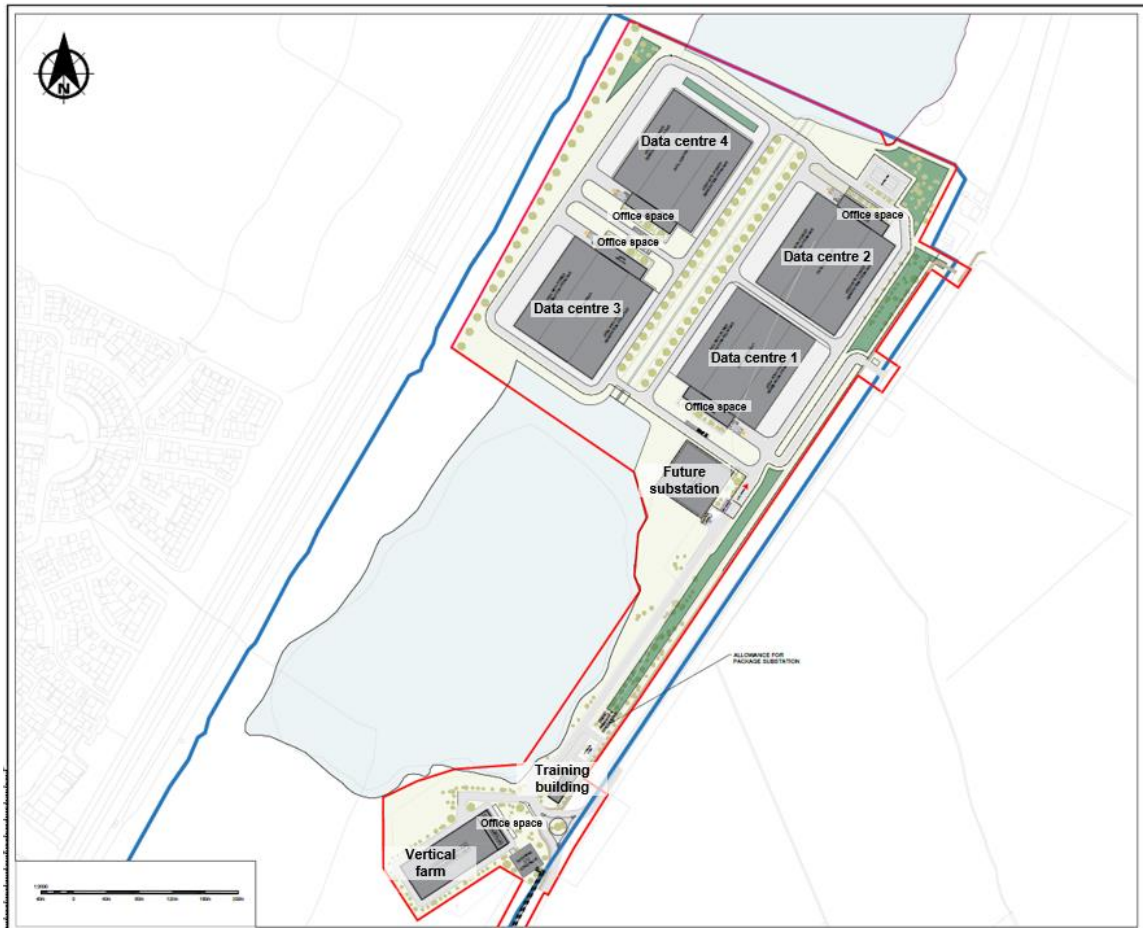
3.6 It is currently envisaged that these data centres will be built to be AI-ready, as opposed to cloud computing. AI-ready data centres store a network of computing systems and infrastructure that support the high-demanding needs of AI and machine learning applications. The hardware of these data centres can demand 5-10 times more power than typical data centre hardware. It is also currently envisaged that the data centre will be a wholesale co-location facility, which is a data centre that is operated by a designated data centre manager, and that provides storage for a number of large firms that lease space on-site.

3.7 In addition to these four data centre buildings, the campus will include:

- A complementary use building (including office space and growing space), total 13,400 sqm GIA;
- A dedicated training, education and research centre will be established to support the next generation of STEM students, total 1,200 sqm GIA; and
- A substation for future use when the data centre gains access to the national grid.

[17] UK Planning Act 2008

Figure 3 – Layout of the Proposed Development (zoomed in)



3.8 The Applicant has signed an agreement for connection to the national grid in 2034, and until then, the Proposed Development would need to be powered through a gas pipeline from the NTS that is 1.6km from the Site. National Gas have confirmed that NTS is able to supply the Proposed Development with sufficient gas to generate more than 1GW of electricity. As part of the Proposed Development, a natural gas pipeline will therefore need to be laid from the Site to the connection point.

3.9 Each building will have its own power generation via gas generators. These will switch to become backup generators once the connection to the grid becomes live.

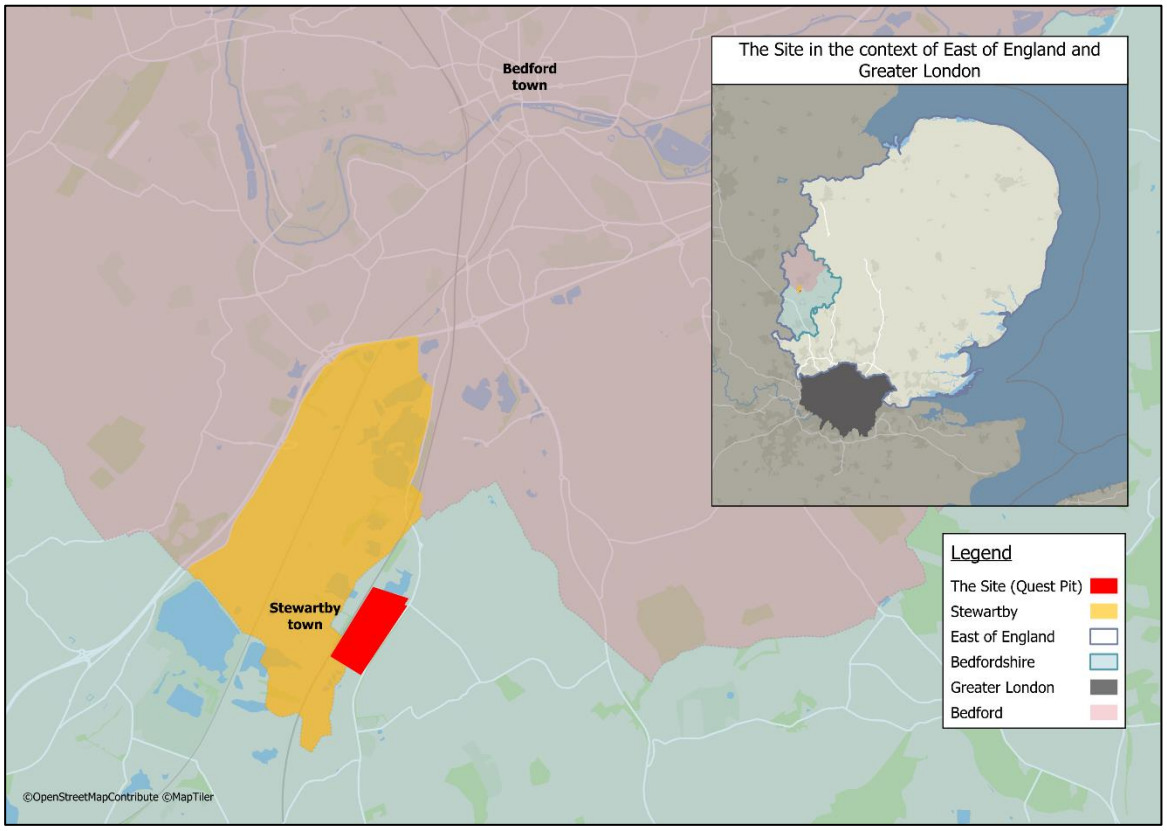
3.10 The current expectation is that the overall construction works would take approximately five years. This consists of the following building phasing:

- **Data centre building 1** – from Years 1 – Year 3
- **Data centre building 2** – from Years 2 – Year 4
- **Data centre building 3** – from Year 3 – Year 5
- **Data centre building 4** – from Year 4 – Year 6

The Site

3.11 The Site is located at Quest Park, Ampthill Road in Bedford, approximately 4km south of Bedford town centre.

Figure 4 – Site in context



3.12 The 57.8 hectare (143 acre) Site is currently vacant. Its former use was a Hanson Brick clay pit, which ceased operation in 2008. The Site is broadly rectangular in shape, featuring undulating terrain consisting of a mix of grassland, reeds, and woodland, along with a natural pond located in the central area.

3.13 The Site is bounded to the south by Stewartby Way (albeit not directly), to the east by the B530 Ampthill Road, to the west by the London North-Western Railway line, and to the north by undeveloped land. The boundary is located wholly within the planning authority of Central Bedfordshire.

Report structure

3.14 The remainder of the report is structured as follows:

- **The data centre opportunity:** This section presents the global and national rise in demand for data centres, highlighting their role in supporting technological advancements and modern economies.
- **The critical role of data centres in driving UK economic growth:** This section examines how data centres contribute to the UK economy by enabling digital transformation, supporting critical industries, and driving productivity and innovation. It details historic delivery of data centre development in the UK and trends in supply and demand as well as the future demand for and pipeline of data centres in the UK.
- **Why here?:** This section justifies the choice of the Proposed Development's location by outlining its strategic advantages, including proximity to London, the availability of sufficient land, and access to

sustainable energy and cooling resources. It also details the suitability of the site for meeting emerging demands for large-scale AI-ready data centres.

- **The significant contribution of the Proposed Development to economic growth:** This section considers the economic benefits of the Proposed Development, including job creation, GVA contributions, and alignment with local and national policy objectives. It highlights how the project will address the UK's urgent need for data storage capacity while boosting economic growth at regional and national levels.

4. The data centre opportunity

Global need for data centres

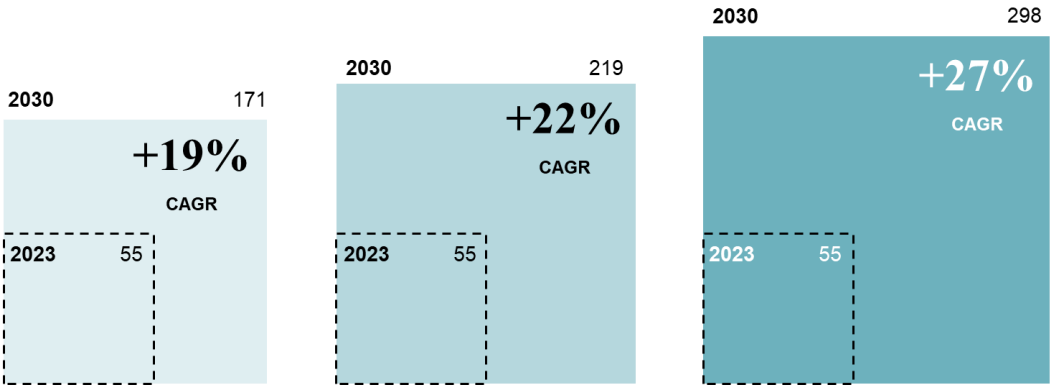
4.1 The world is currently experiencing what has been referred to as the 'Fourth Industrial Revolution'.[18] Rapid technological advancements are driving enhanced connectivity, analytics, and automation, transforming businesses globally and reshaping economies and societies.[19] This change is driving a rapid increase in the amount of data being produced, stored, and accessed.

4.2 The total data generated in 2013 is estimated to equal the amount generated in a single day by 2021.[20] To avoid a data centre supply deficit in the future, at least twice the data centre capacity built since 2000 would have to be built in less than a quarter of the time.[21]

4.3 Recent analysis outlines three possible scenarios for how global demand for data centre capacity could expand by 2030, driven by the growing global need for data particularly due to the increasing acceleration of artificial intelligence (AI). Current trends suggest global demand for data centre capacity could rise at an annual rate of between 19% and 22% from 2023 to 2030. A less likely yet still possible scenario sees demand rising by 27% per annum.[22] **Figure 5** sets out these three potential scenarios.

Figure 5 – Global demand for data centre capacity could more than triple by 2030.

Demand for data centre capacity (GW)



Source: McKinsey & Company. 2024. AI power: Expanding data centre capacity to meet growing demand

What is the data sector?

The data sector refers to firms and organisations that create, distribute and use data through digital products, services and technologies.[23]

[18] McKinsey & Company. 2022. What are Industry 4.0, the Fourth Industrial Revolution, and 4IR?
[19] Moore Global. 2024. A fourth industrial revolution? It is only just starting
[20] World Economic Forum. 2019. How Much Data is Generated Each Day
[21] McKinsey & Company. 2024. AI power: Expanding data centre capacity to meet growing demand
[22] McKinsey & Company. 2024. AI power: Expanding data centre capacity to meet growing demand
[23] London Borough of Newham. 2022. Newham Sparks: Ch. 2

4.4 The rapid expansion of AI applications and machine learning has contributed to unprecedented demand on data centre infrastructure.[24] AI is no longer a futuristic concept, but increasingly a critical component of modern industry and society. AI is driving economic growth primarily through enhanced productivity. This is being achieved through automating routine tasks, amplifying employee capabilities, and enabling them to concentrate on more engaging, high-value activities.[25]

4.5 As well as automating the day-to-day tasks, AI is becoming essential for addressing many complex, large-scale problems faced by modern society across a range of different industries. For example, AI has been increasingly used to form autonomous system based technologies spanning the transportation, military, and healthcare sectors. Examples include Waymo and Tesla Autopilot autonomous driving technologies, and military drones like Skydio X2D and General Atomics MQ-9 Reaper.[26] Some additional sectoral use cases are set out below:

- **Healthcare.** AI-powered diagnostic tools are improving early detection of diseases, optimising treatment plans, and enabling personalised medicine. For example skin cancer detecting with the AI-assisted object detection models.[27]
- **Security.** AI enhances cybersecurity through intelligent threat detection and response mechanisms. It also supports public safety by enabling real-time monitoring and predictive analytics.[28]
- **Banking.** AI is rapidly transforming the banking sector, with many institutions leveraging AI-based systems for customer support, anomaly detection, and fraud prevention.[29]
- **E-commerce.** Amazon is the greatest example of the application of AI in the E-commerce sector. Amazon employs AI to provide services like voice shopping and product suggestions to users.
- **Manufacturing.** AI is extensively used in manufacturing for process optimisation and asset optimisation, which involves several critical applications such as function approximation and model building and design optimisation.[30]

4.6 The scope of potential disruption that may be caused by generative AI in particular is vast. By 2025, it is envisaged that 50% of drug development will use generative AI as part of the process, 30% of outbound messages from large enterprises will be written by AI, and 90% of quarterly reports will be synthetically generated.[31] A 2023 report by Goldman Sachs estimates that AI could drive a $7 tn annual increase to the global GDP over the next 10 years.[32]

4.7 As AI gets incorporated into software programming in various sectors, it will significantly increase the overall electricity demand of data centres. Hyperscalers such as Amazon Web Services, Google Cloud, Microsoft Azure, and Baidu are the companies fuelling most of today's incremental demand for AI-ready data centres.[33] AI technologies, particularly generative AI, consume significantly more power than conventional data centre workloads because of their high average power densities. On average, a ChatGPT query needs nearly ten times as much electricity to process as a Google search.[34] Average power densities[35] have more than doubled from 8 kilowatts (kW) per rack in 2022 to 17 per rack kW 2024, and are expected to rise to as high as 30 kW by 2027 as AI workloads increase.[36]

[24] CBRE. 2024. AI's impacts on data centre development

[25] PwC. 2018. Sizing the prize What's the real value of AI for your business and how can you capitalise?

[26] A. Bin Rashid. 2024. AI revolutionizing industries worldwide: A comprehensive overview of its diverse applications

[27] A. Bin Rashid. 2024. AI revolutionizing industries worldwide: A comprehensive overview of its diverse applications

[28] Sekioa. 2024. AI in cybersecurity.

[29] A. Bin Rashid. 2024. AI revolutionizing industries worldwide: A comprehensive overview of its diverse applications

[30] A. Bin Rashid. 2024. AI revolutionizing industries worldwide: A comprehensive overview of its diverse applications

[31] Bilan, Maryna. 2023. Potential of Generative AI for Enterprise: Statistics, Use Cases, Top Business Examples

[32] Goldman Sachs. 2023. Generative AI could raise global GDP by 7%

[33] McKinsey & Company. 2024. AI power: Expanding data centre capacity to meet growing demand

[34] Goldman Sachs. 2024. AI is poised to drive 160% increase in data centre power demand

[35] The amount of power that is used by each data centre rack (the physical structure that holds IT equipment, such as servers, storage devices, and networking gear)

[36] McKinsey & Company. 2024. AI power: Expanding data centre capacity to meet growing demand

What is a data centre?

4.8 Data centres are a fundamental element of infrastructure for the data sector. Any individual, business or organisation that needs to store or share data relies on physical servers and equipment. Some smaller businesses or organisations can choose to maintain in-house systems to store and manage their data, however this can require significant amounts of energy, on-site security, and be complicated to maintain as data demands grow. Data centres provide another option for businesses and organisations. They are designated facilities that store and share data.[37]

4.9 Historically, most businesses and organisations did not need dedicated data centres. Until the 1990s, only the largest organisations used data centres.[38] These organisations were mostly banks, universities and departments of national government. With the widespread adoption of the internet throughout the 1990s there was rapid growth in the amount of data produced, and the need for secure data storage rose alongside this growth. As a result of this growth, increasing numbers of firms have begun to operate their own data centres (enterprise data centres).

The three main types of data centre:

Enterprise data centre – owned and used by a single firm, commonly located at or near to other operations of the firm.

Co-location data centre – operated by a designated data centre manager, providing storage for a number of firms that lease space on-site.

High performance computing (HPC) – a HPC data centre is a facility that uses multiple servers and supercomputers to perform complex calculations quickly.

4.10 Subsequent changes to the way businesses operate, including cloud computing and the emergence of AI – increasing remote working and greater access for consumers to online products and services – have increased the need for secure data storage and access.[39,40]

4.11 Most businesses now rely on external data centres, either directly through renting or occupying space (at co-location data centres), or indirectly through using cloud systems providers such as Amazon, Google or Microsoft that operate their own data centres. Cloud allows for the exchange of digital information between servers and different locations which provides IT efficiency benefits. Data centres are the backbone for computers and cloud networks to be able to perform in the way they do. They facilitate the exchange of digital information which is vital to sectors, businesses, and individuals. Therefore, data centres are crucial to society and national infrastructure.[41]

[37] IBM. 2024. What is a data centre?

[38] techUK, 2024. Foundations For The Future: How Data Centres Can Supercharge UK Economic Growth

[39] DCByte, 2020. An Introduction to Data Centres

[40] Digital Reality. 2024. The Impact of Artificial Intelligence on Data Centers: A Comprehensive Analysis

[41] techUK, 2020. The UK Data Centre Sector: The most important industry you've never heard of

5. The critical role of data centres in driving UK economic growth

National policy context

5.1 Data centres have become a focal point in the UK's efforts to advance its digital infrastructure, earning their designation as CNI by the government in 2024.[42] This is the first CNI designation in almost a decade, since the Space and Defence sectors gained the same status in 2015. In addition to this designation, the importance of data centres in the UK is reflected in a range of other policy documents as set out below.

AI Opportunities Action Plan

5.2 In January 2025, the Department for Science, Innovation and Technology published its AI Opportunities Action Plan.[43] The purpose of the AI Opportunities Action Plan is to increase AI adoption across the UK to boost economic growth, provide jobs for the future and improve people's everyday lives.

5.3 As Prime Minister Keir Starmer said in his press release of the action plan, "Artificial Intelligence will drive incredible change in our country. From teachers personalising lessons, to supporting small businesses with their record-keeping, to speeding up planning applications, it has the potential to transform the lives of working people."

5.4 The plan includes initiatives that will help make the UK become the number one place for AI firms to invest, which is vital if the UK to be at the forefront of this industry and be a changemaker rather than a change-taker.

5.5 The key changes from the Action Plan include:

- Forging new AI Growth Zones to speed up planning proposals and build more AI infrastructure. The first of these will be in Culham, Oxfordshire.
- Increasing the public compute capacity by twentyfold to give us the processing power we need to fully embrace this new technology – this starts immediately with work starting on a brand new supercomputer.
- Matt Clifford has been appointed as advisor to the PM on AI opportunities, bringing together a team across No10 and DSIT to seize the opportunities of AI and build the UK's sovereign capabilities. Nobel Prize-winner, Sir Demis Hassabis, will also provide expertise to the government to help the UK seize the opportunities of AI.
- Creating a new National Data Library to safely and securely unlock the value of public data and support AI development.
- A dedicated AI Energy Council chaired by the Science and Energy Secretaries will also be established, working with energy companies to understand the energy demands and challenges which will fuel the technology's development – this will directly support the government's mission to become a clean energy superpower by tapping into technologies like small modular reactors.[44]

5.6 This action plan underlines the national significance of data centres.[45] Chapter one of the AI Opportunities Action Plan is entitled 'Lay the foundations to enable AI'. This chapter opens by stating:

[42] Department for Science, Innovation and Technology. 2024. Data centres to be given massive boost and protections from cyber criminals and IT blackouts

[43] Department for Science, Innovation and Technology. 2025. AI Opportunities Action Plan

[44] Department for Science, Innovation and Technology. 2025. Prime Minister sets out blueprint to turbocharge AI

[45] Pinsent Masons. 2025. Data centre development at the centre of UK AI plan

"The foundation of the last decade of AI progress has been an extraordinary and sustained investment in computational power (often called "compute"). AI requires data centres that house the large and complex computers that are used to train AI models and to run 'inference' (where AI is used to complete tasks and answer queries)."

5.7 The AI Opportunities Action Plan further states that the government must secure access to a sufficient supply of computational power. Privately owned data centres will be critical to this, the report states:

"Domestic compute (computational power), that is based within the UK but privately owned and operated and that will position the UK as a leading AI economy and ensure the UK's economic security. Due to the criticality of compute (computational power) for AI, domestic compute (computational power) will create spillover benefits in the form of jobs, investment and new, AI based, service businesses. In this part of the portfolio, crowding in private and international capital is critical."

UK Compute Roadmap (2025)

5.8 The UK Compute Roadmap, published jointly by the Department for Science, Innovation and Technology (DSIT) and UK Research and Innovation (UKRI) in July 2025, provides a quantified assessment of the UK's future computational requirements to support artificial intelligence, science, innovation and economic growth. It identifies computational power as a critical enabling input and states that meeting the "scale, speed and opportunities of the AI-enabled economy of the future" will require infrastructure that is "fit for purpose". The roadmap also highlights the pace of change, noting that demand for frontier AI compute is expected to increase "10,000 times by the end of the decade".[46]

5.9 The roadmap emphasises the scale and urgency of the infrastructure challenge. It concludes that, without the timely delivery of new capacity, "the UK risks being left behind" and becoming "over reliant on foreign infrastructure", with implications for economic competitiveness and resilience. In response, it sets out a programme of coordinated action and investment, including "up to £2 billion between now and 2030 to build a modern public compute ecosystem" and a 10-point plan to provide "clarity and certainty to researchers, industry and investors". It also recognises that infrastructure "of this scale takes years to plan and deliver", requiring the alignment of land, power, grid capacity and investment.

5.10 The UK Compute Roadmap introduces AI Growth Zones as a mechanism to facilitate the delivery of large-scale compute infrastructure, stating that these will "fast-track AI infrastructure development… and unlock access to energy".

5.11 As mentioned already in this document, it forecasts that "the UK will need at least 6GW of AI-capable data centre capacity by 2030 – a threefold increase on current levels", alongside a requirement for "a core group of nationally significant sites" each capable of at least 500MW, with at least one site exceeding 1GW. The Proposed Development is well positioned to help achieve this ambition. The roadmap also highlights that meeting this demand in a sustainable manner will require new approaches to energy provision, reinforcing the need to address both compute capacity and associated energy constraints in parallel.

[46] GOV.UK, 2026. UK Compute Roadmap

National Planning Policy Framework (NPPF)

5.12 The February 2025 update to the NPPF sets out the importance of data centres through two new policies, reflecting the Government's recognition of the data sector's critical role in the modern economy and explicitly identifying data centres as essential digital infrastructure.[47]

5.13 **The February 2025 NPPF sets out that:**

- [Paragraph 86] "Planning policies should pay particular regard to facilitating development to meet the needs of a modern economy, including by identifying suitable locations for uses such as laboratories, gigafactories, data centres, digital infrastructure, freight and logistics."
- [Paragraph 87] "Planning policies and decisions should recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries; and for new, expanded or upgraded facilities and infrastructure that are needed to support the growth of these industries (including data centres and grid connections)."[48]

5.14 In addition, as of 8 January 2026, data centres are a prescribed type of 'business or commercial project' referred to in the Infrastructure Planning (Business or Commercial Projects) (Amendment) Regulations 2026 which provides that data centres are capable of being the subject of a direction by the SoS under section 35 of the PA 2008.

Invest 2035: the UK's modern industrial strategy

5.15 The UK Government officially published its green paper 'Invest 2035: the UK's modern industrial strategy' in November 2024. This strategy outlines a 10-year plan to deliver the certainty and stability businesses need to invest in the eight high growth sectors that will drive the growth mission.[49]

Figure 6 – Data centres will be critical to the growth of all eight sectors as an enabler of digitalisation and the adoption of AI.

The eight high growth sectors as set out in Invest 2035: the UK's modern industrial strategy

Source: Department for Business & Trade. 2024. Invest 2035: the UK's modern industrial strategy

[47] MHCLG. 2024. National Planning Policy Framework

[48] MHCLG. 2024. National Planning Policy Framework

[49] Department for Business & Trade. 2024. Invest 2035: the UK's modern industrial strategy

5.16 The strategy focuses in detail on the growth driving sector of digital and technologies, and states explicitly that:

> **"additional data centre capacity and access to fast, secure, and reliable digital connectivity is essential to enabling economic growth and to reap the transformational productivity benefits of digitalisation and the adoption of AI. Continued investment is in data centres is also needed to meet the ambitious targets to bring gigabit-capable broadband to all of the UK, and standalone 5G to all populated areas, by 2030".[50]**

National Data Strategy (2020)

5.17 Although now a number of years old, the growth and importance of the data sector is highlighted in the 2020 National Data Strategy. The UK's National Data Strategy aims to foster the growth of the sector across the UK, with the growth of the sector identified as providing a catalyst for wider economic growth.[51]

5.18 Of particular interest, the strategy acknowledges that data centres are a key national asset and underpin an increasing amount of business and societal activity, it identifies the following links between the data sector and its infrastructure to other sectoral priorities in the UK.

- **Net zero**. Better use of data is identified as having the potential to solve climate change problems and meet the net zero 2025 target.
- **Growth**. Data infrastructure will boost productivity, pay, jobs and living standards by providing growth for the digital and automated sector.
- **Vision for a global Britain**. Digital access has transformed global connectivity, developing new links for businesses to export markets and service worldwide.
- **AI sector deal**. The government are committing to realise the potential of the AI sector with a £0.95bn support package. Data infrastructure is identified as critical to meeting the ambition of becoming a world leader in AI. To note, this is now superseded by the latest AI Opportunities Action Plan set out above.
- **Digital strategy**. Underlines the importance of a strong data infrastructure for a successful data economy, which is vital for society and the economy to function effectively.

National Policy Statement for Natural Gas Electricity Generating Infrastructure (2023)

5.19 The majority of new generating capacity will need to be low carbon, but it is acknowledged that new unabated natural gas generating capacity will also be needed during the transition to net zero. This will ensure that the system remains reliable and affordable.[52]

Labour's six milestones

5.20 Data centres will play a critical role in advancing Labour's key six milestones set out in Prime Minister Sir Keir Starmer's plan for change.[53]

[50] Department for Business & Trade. 2024. Invest 2035: the UK's modern industrial strategy

[51] Department for Digital, Culture and Media & Sport. 2020. UK National Data Strategy

[52] Department for Energy Security and Net Zero, 2023. National Policy Statement for Natural Gas Electricity Generating Infrastructure (EN-2)

[53] UK Government. 2024. PM speech on Plan for Change: 5 December 2024

Table 1 – How the Proposed Development links to Labour's six milestones

Milestone	Link to proposed development	Type of contribution	Evidence / policy basis
1. Putting more money in the pockets of working people	Generates employment (construction + operational), worker expenditure, GVA, tax receipts; supports productivity growth via AI and digital infrastructure.[54,55]	Direct + enabling	AI Opportunities Action Plan (compute as foundation for productivity); data centres as CNI (2024).
2. Building 1.5m homes & fast-tracking 150 infrastructure projects	The scheme is itself major infrastructure; supports digital planning tools, AI-enabled decision-making, and more efficient construction processes.	Direct + enabling	Government use of AI in planning reform; Digital Planning Programme; AI to accelerate planning decisions (MHCLG).
3. Treating 92 percent of NHS patients within 18 weeks	Enables digital health systems, and AI diagnostics by providing secure, high-capacity compute infrastructure.	Enabling	NHS England digital strategy; increasing use of AI and data in healthcare delivery.
4. Recruiting 13,000 more police officers, special constables and PCSOs in neighbourhood roles	Supports digital policing systems (data processing, surveillance, analytics, AI tools) that improve efficiency and effectiveness of policing.	Enabling	Home Office Digital Strategy; Police Digital Service (use of data and technology in policing).
5. Making sure three-quarters of five year olds are school-ready	Indirect support through digital education tools, AI-assisted learning, and national education infrastructure requiring data storage and processing.	Enabling	Government AI in education initiatives; national digital education infrastructure (e.g. cloud, connectivity).
6. 95% clean power by 2030	Forms part of growing electricity demand from digital/AI infrastructure; designed to integrate with grid over time and reflects need to align data centre growth with clean energy transition.	Indirect / enabling	AI Opportunities Action Plan (AI Energy Council); national challenge of powering data centres sustainably.

UK's current supply and growth of data centres over time

5.21 The UK data centre sector has not sprung up overnight, but has evolved over time from a need to consolidate and manage the growing volumes of digital data within our economy both securely and efficiently.[56] As a central hub for global business, finance and technology, the UK hosts one of the largest data centre markets in Western Europe.[57] It represents around 20% of the total data centre investment across the region.[58]

[54] techUK. 2024. Foundations for the future: How data centres can boost UK economic growth

[55] THX news. 2024. UK Data Centres Attract £6.3 bn in Foreign Investment

[56] techUK, 2020. The UK Data Centre Sector: The most important industry you've never heard of

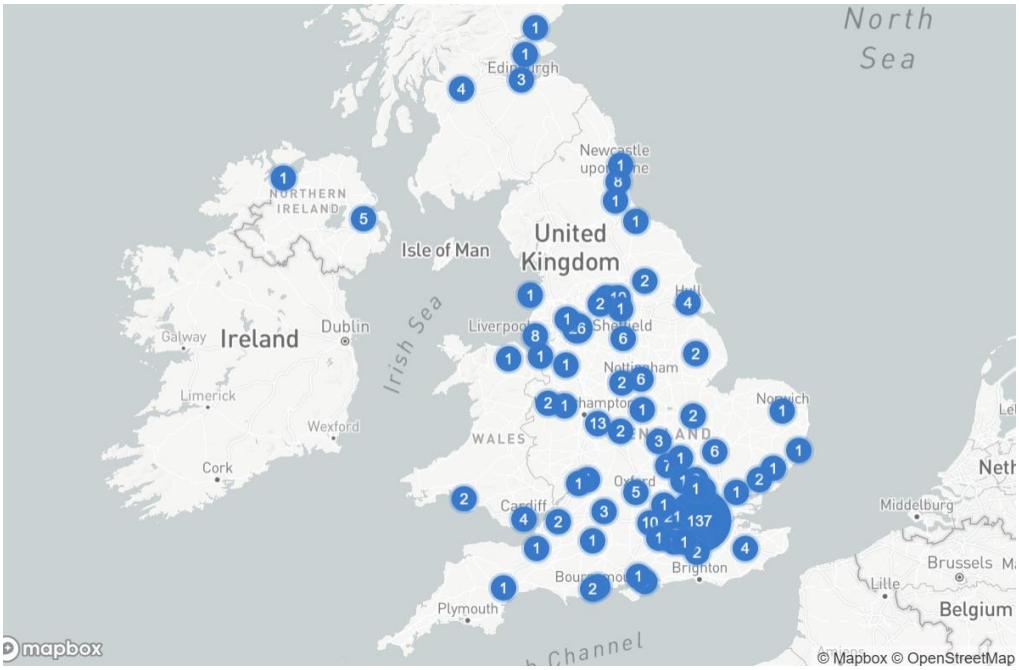
[57] Department for Science, Innovation & Technology. 2024. Data centres to be given massive boost and protections from cyber criminals and IT blackouts

[58] Fields & Rudd. 2024. The Current State of the UK Data Centre Storage Market

5.22 Estimates of the total number of data centres in the UK today range from around 380-500, all of varying sizes and with the majority being clustered around London.[59,60,61] The lack of a clear definition of a data centre is a key reason why there is little consensus on the exact number of data centres in the UK. In terms of geographical distribution, 70% of the UK's commercial data centre market is clustered in and around the M25, in close proximity to key markets i.e. London. Manchester is the secondary data cluster. [62]

Figure 7 – The majority of data centres in the UK are clustered in and around London, with Manchester being the secondary cluster.

Map showing the number of data centres in various cities in the UK, as per the online Data Centre Map



Source: Data Centre Map: https://www.datacentermap.com/united-kingdom/

5.23 **Table 2** sets out the energy consumption and floorspace of the current five largest data centres in the UK. While this table is not fully up to date, there have been no material changes to the composition of the largest operational facilities since this point, with no new data centres of comparable scale becoming operational. Instead, recent delivery has continued to be characterised by smaller-scale developments and incremental expansion of existing campuses. It remains clear from this table that the UK currently has very few large data centres. Instead, the majority of the current data centres in the UK are small, with approximately 60% having capacities of 4MW or less.[63] As can be seen in more detail in **paragraph 5.39** in the '**Future pipeline of data centres in the UK'** section, there is a trend toward developing larger facilities, with several projects exceeding 100MW.[64]

[59] Statista. 2024. Leading countries by number of data centers as of March 2024

[60] Data Centre Map. 2024. United Kingdom Data Centres

[61] techUK, 2020. The UK Data Centre Sector: The most important industry you've never heard of

[62] techUK, 2020. The UK Data Centre Sector: The most important industry you've never heard of

[63] Platform Markets Group. 2024. UK: Data Centre Landscape 2024-2027

[64] JLL UK. 2023. Data Centres 2023 Global Outlook

Table 2 – The Proposed Development would provide a significant contribution of data storage space.

The five largest data centres currently in the UK, based on consumption, surface and number of servers

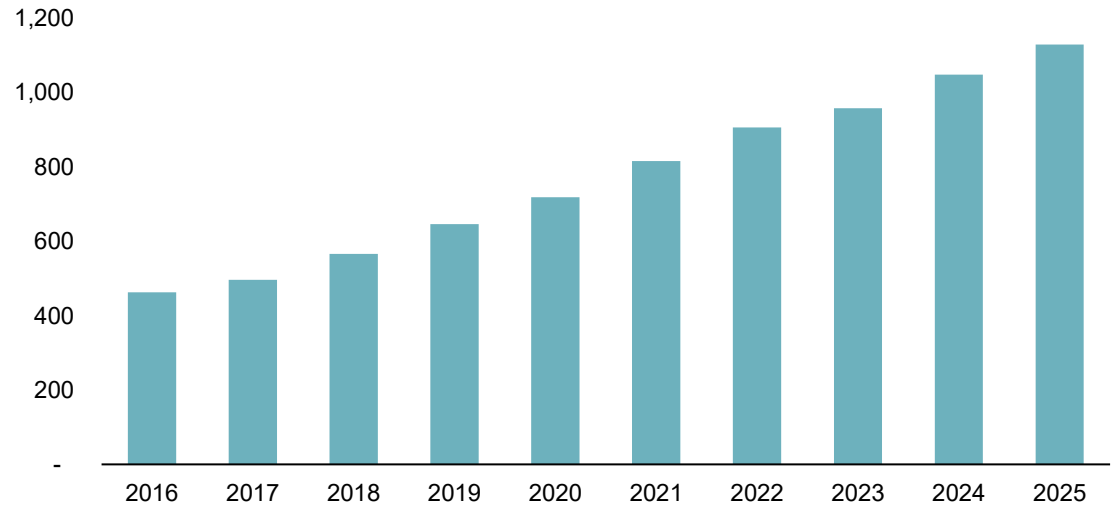
Data centre	Energy	Floorspace (square feet)
Next Generation	250MW	750,000
Virtus	160MW	350,000
KAO Data Campus	100MW	150,000
Telehouse North	16MW	100,000
GTP 3	~16MW	Up to 40,000

Source: Bauhaus Recruitment. 2023. Exploring the Powerhouses of Data: The UK's 5 Largest Data Centres

5.24 Between 2020–25, it is estimated that the total capacity of UK data centres grew by an average of 10% a year.[65] To provide context, an annual growth rate of 10% positions data centres among the fastest-growing industries in the UK, outpacing the current growth rates of other cutting-edge sectors like life sciences (6%) and the digital and creative industries (8%).[66] Due to limited timeseries data on data centres in the UK as a whole, the total market supply in London is used to demonstrate the rate of growth illustratively. The figure below illustrates the growth of the total data centre market size in London from 2016 to 2025 demonstrating a steady and consistent upward trend over this period.

Figure 8 – The market size of data centres in London has more than doubled in the last seven years, from 2018 to 2025.[67]

London total data centre market size (MW)



Source: JLL. 2026. EMEA year end data centre report 2025

[65] techUK. 2024. Foundations for the future: How data centres can boost UK economic growth

[66] techUK. 2024. Foundations for the future: How data centres can boost UK economic growth

[67] To note, this is just one source of the total market size in London, another source sets out that 'London and the surrounding areas are home to 1.3GQ of IT capacity' – DCD. 2024. London calling: The outlook for the UK's data center market in 2025.

Strategic importance of data centres in the UK

5.25 As set out in **paragraph 5.1** in the National policy context section above, the UK recently classified data centres as part of its CNI. This highlights data centres' significance to national security, the economy, and everyday life. By committing to the construction and protection of data centres, the UK has a unique opportunity to establish itself as a global leader in emerging technologies and future innovation.[68]

5.26 The newly introduced **AI Opportunities Action Plan** emphasises the transformative potential of AI in shaping the UK's economy, innovation landscape, and public services. The plan reaffirms the critical role of data centres as essential infrastructure to support AI development. It outlines key areas for investment, collaboration, and ethical development to position the UK as a global AI leader. A major focus is on continued investment in computational power, which relies heavily on the expansion of data centres. The plan also introduces AI Growth Zones, to "speed up planning approvals for the rapid build-out of data centres, give them better access to the energy grid, and draw in investment from around the world".[69]

5.27 This position has been further strengthened through recent legislative and policy developments. In particular, as of 8 January 2026, data centres are defined as a prescribed form of 'business or commercial project' under the *Infrastructure Planning (Business or Commercial Projects) (Amendment) Regulations 2026*. This enables data centre developments to be directed into the Nationally Significant Infrastructure Project (NSIP) regime under Section 35 of the Planning Act 2008. This change reflects the Government's clear intention to treat large-scale data centre developments as infrastructure of national significance where appropriate.[70]

5.28 The focused adoption of AI presents a significant opportunity to boost productivity and drive economic growth, benefiting both individuals and businesses. The IMF estimates that the full adoption of AI could increase productivity by up to 1.5 percentage points annually. If these potential gains are fully realised, they could contribute an average of £47 bn to the UK economy each year over the next decade. This plan integrates AI into the nation's strategic framework, revolutionising our public services and putting more money in people's back pockets.[71]

5.29 In today's world, data centres are as crucial to the functioning of society as the NHS and the national power grid. They ensure that businesses run smoothly, support the growth of digital innovation, and are integral to delivering essential services that the public depends on.[72] Data centres underpin many daily functions, from online banking and healthcare systems to AI applications and cloud storage.

5.30 Data centres are pivotal in driving growth in the UK economy. The digital services they provide improve efficiency and make customers more competitive, irrespective of their area of business. It is important for the UK to support sectors of the future, such as AI, technology, and other advanced industries to remain competitive in the modern global economy. Countries that can develop a strong digital economy and a favourable business environment for these industries attract investment, thereby supporting economic growth. [73] The UK must build the right infrastructure, regulatory frameworks, and policies to make itself an attractive destination for investment. Already, since the current Labour government took office in July 2024, the UK has secured £6.3 bn in foreign investment from U.S. firms such as CyrusOne, ServiceNow, CloudHQ, and CoreWeave.[74] This substantial investment is a product of the UK's broader strategy to position itself as a leader in digital infrastructure and AI development, as set out in the National policy context section above.

5.31 According to a 2024 techUK report, in terms of economic contribution, data centres contribute £4.7 bn in gross value added (GVA) annually to the UK economy and support 43,500 jobs across the country.

[68] Camargue. 2024. What stands in the way of the UK's data centre potential?

[69] Pinsent Masons. 2025. Data centre development at the centre of UK AI plan

[70] GOV.UK, 2026. The Infrastructure Planning (Business or Commercial Projects) (Amendment) Regulations 2026

[71] Department for Science, Innovation and Technology. 2025. Prime Minister sets out blueprint to turbocharge AI

[72] Lunar Digital. 2024. Data centres: The backbone of modern society

[73] techUK. 2024. Foundations for the future: How data centres can boost UK economic growth

[74] THX news. 2024. UK Data Centres Attract £6.3 Billion in Foreign Investment

Projections indicate that, with increased data centre supply, the sector could add an additional £44 bn in GVA between 2025 and 2035 (i.e. approximately £4.4 bn per annum on top of the current £4.7 bn).[75]

Future demand for data centres in the UK

5.32 As technology continues to evolve, with significant advancements in AI and other emerging technologies, the demand for data centres in the UK is set to increase at a much faster rate than it ever has before.

5.33 It is expected that this future increase in demand is likely to come mostly from technology service providers and AI start-ups, as opposed to hyperscalers or enterprises. Technology service providers and AI start-ups are dedicated to the provision of services based on AI technology and, therefore, need data centre capacity in significant quantities now.[76]

5.34 A recent study from McKinsey & Company sets out that approximately 70% of worldwide future demand is likely to be for data centres that are equipped to host advanced-AI workloads[77], as opposed to the common cloud computing workloads that occur in the majority of data centres today. As a result, it is important the future data centres are built with AI-ready capabilities. This includes liquid cooling equipment, to ensure they can handle the higher power densities required for AI technology, and high average power density racks. Data centres like this need larger dedicated areas to house the advanced cooling infrastructure.[78]

5.35 The low and declining vacancy rates of data centres in the UK also demonstrates the growing demand. Recent research by CBRE reveals a decline in the data centre vacancy rate across Europe's top five data centre markets. In 2025, the data centre vacancy rate in Frankfurt, London, Amsterdam, Paris dropped fell by 3.2 percentage points year-over-year in Q1 to a record-low 7.4%, despite an increase in inventory. Robust demand continues to outpace new supply.[79]

5.36 **Figure 9** presents a range of estimated short-term demand for the UK data centre market to 2030. These projections indicate growth of between 61% and 149%, equivalent to a compound annual growth rate of 10% to 20%.[80] However, these estimates are largely based on historic trends and therefore may represent a conservative view of longer-term future demand.

5.37 More recent evidence suggests an even stronger growth trajectory. The **UK Compute Roadmap (2025)** states that the UK will require at least 6GW of AI-capable data centre capacity by 2030, representing a threefold increase on current levels. [81] In addition, total UK compute demand is projected to increase by four to seven times current (2025) levels by 2035, implying a potential increase of approximately two to three-and-a-half times by 2030. [82] This suggests that even the upper bound growth scenario of 20% per annum may underestimate future demand.

5.38 Accordingly, these projections do not fully reflect the potential for accelerated, non-linear growth in data centre demand driven by AI. While the precise trajectory remains uncertain, the scale and pace of expected expansion indicate that demand is likely to exceed historic trends.

[75] techUK. 2024. Foundations for the future: How data centres can boost UK economic growth

[76] CBRE. 2023. UK Real Estate Market Outlook

[77] McKinsey & Company. 2024. AI power: Expanding data centre capacity to meet growing demand

[78] Data Centre Dynamics. 2024. The AI-ready data centre

[79] CBRE. 2025. Global Data Center Trends 2025: Despite Persistent Power Constraints, Hyperscale Growth Accelerates

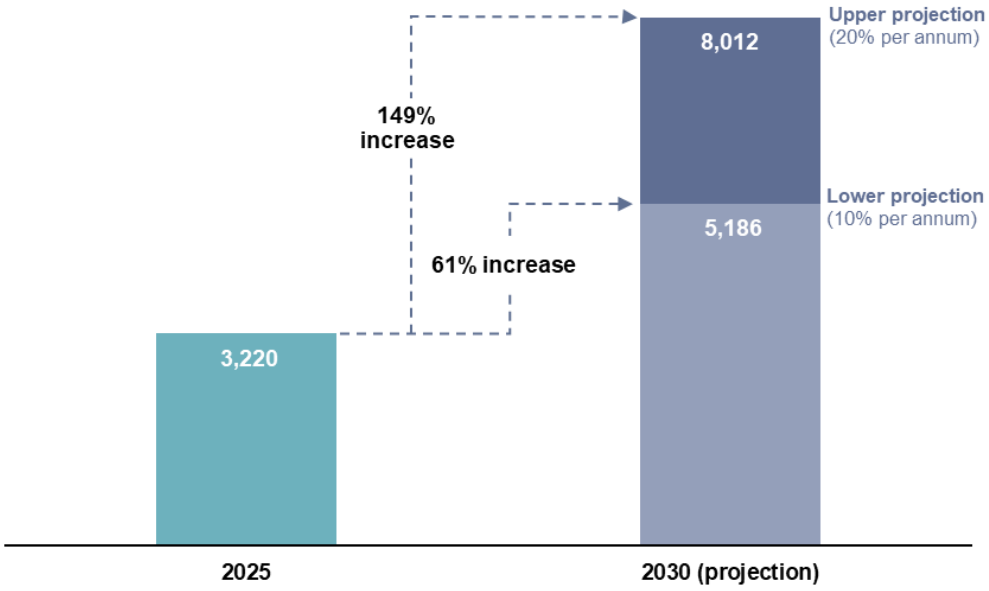
[80] Fields & Rudd. 2024. The Current State of the UK Data Centre Storage Market

[81] GOV.UK, 2026. UK Compute Roadmap

[82] DSIT, 2025. Compute Evidence Annex

Figure 9 – In terms of IT load MW demand, the UK data centre market is expected to grow by between 61% and 149% over the next five years (short-term).

Lower and upper projection of the total UK data centre market size, from 2025 to 2030



Source: Mordor Intelligence. 2024. United Kingdom Data Centre Market size and share analysis; Fields & Rudd. 2024. The Current State of the UK Data Centre Storage Market.

Future pipeline of data centres in the UK

5.39 Whilst the pipeline of data centres coming forward in the UK appears to be relatively strong, it is still very unlikely to meet future demand.

5.40 **Table 3** sets out the main data centre developments currently identified within the UK pipeline, alongside their anticipated timing and whether they are designed to support traditional cloud computing or AI-related workloads. While these schemes are often referenced as contributing to future supply, many are subject to phasing, infrastructure constraints and evolving delivery programmes. As such, not all of the capacity identified is expected to be operational within the next five years.

5.41 In addition to the pipeline set out in **Table 2,** there are a number of large-scale data centre proposals at earlier stages of development. For example, a planning application is being progressed for a 600MW AI-focused data centre by Digital Reef in Havering. Due to the scale of the scheme and an estimated construction period of 10–12 years, it is unlikely to become operational before the mid-2030s.[83] Similarly, the 300MW SDC M40 Campus has been identified for progression through the Development Consent Order (DCO) regime, reflecting its scale and national significance. However, the scheme remains at a pre-consent stage and will be subject to the full DCO process, followed by a substantial and likely phased construction programme. Even under an optimistic delivery scenario, it is unlikely to become operational before the early 2030s. The AI Pathfinder development at Chelveston represents another large-scale, AI-focused scheme; however, it has not been included within **Table 2** due to uncertainty regarding the scale and timing of its full delivery. These examples illustrate that a considerable proportion of the identified pipeline is long-term in nature and does not represent deliverable capacity within the next five years.

[83] Romford Recorder. 2024. East Havering Data Centre plan near Upminster gets resident opposition.

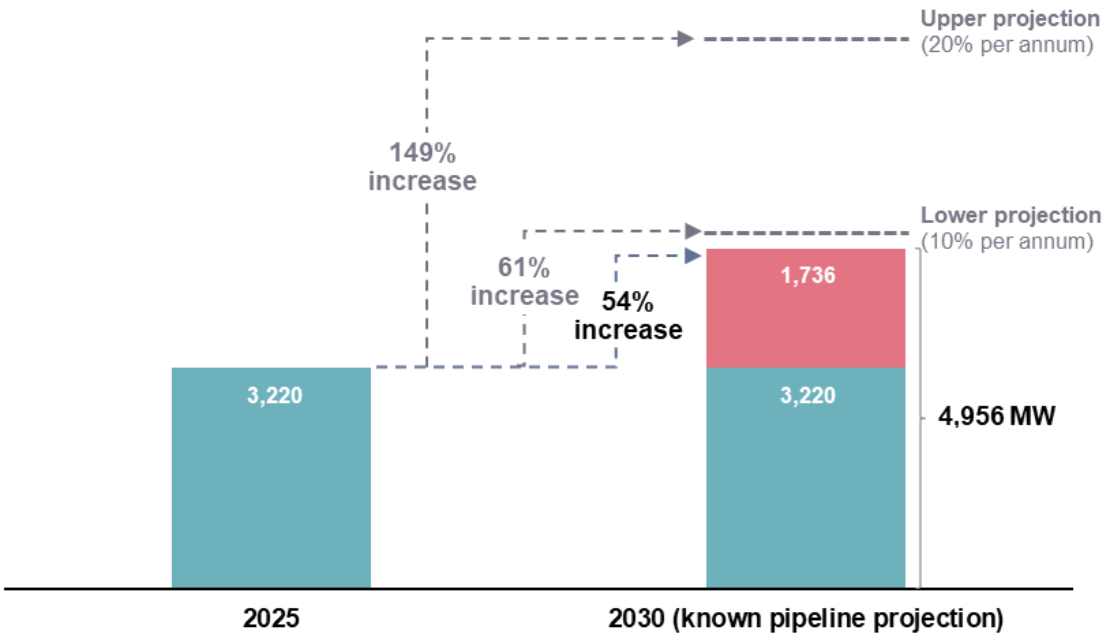
Table 3 – There are several significant data centre developments in the pipeline across the UK, expected to be operational by 2030.

Data centre	Expected to be operational	IT load operational (MW)	Cloud or AI computing
Kao Data – Stockport	2026	32	Cloud
Equinix – Slough LD14	late 2026	30	Cloud
Bidder Street - Newham	2027	80	Cloud
CloudHQ - Didcot	2028	200	AI
G-Park - London Docklands	2028	210	Uncertain
Pure Data Centres – Brent Cross	2028	70	Cloud
Colt – Hayes (London 6)	2029 (Only including 6 - 7, 8 later)	32	Cloud
DC01UK - Hertfordshire	2029	320	Cloud
Elsham Tech Park	2029 (first phase - assumed 1/3 of total capacity)	333	AI
QTS - Cambois	2030 (first phase - 4/10 data centres)	288	AI and cloud
Court Lane - Buckinghamshire	2030	140	AI and cloud
Total		**1,736**	

Source: Fields & Rudd, 2024. The Current State of the UK Data Centre Storage Market; Data Centre Dynamics website.

Figure 10 - Based on the identified pipeline, UK data centre supply is likely to increase by approximately 8% per annum to 2030, which falls below the lower bound of projected short-term demand.

Data centre developments in the pipeline across the UK, expected to or likely to be operational by 2030



5.42 Based on the identified pipeline, total data centre capacity is projected to increase by approximately 54% (1,736 MW) by 2030. This falls below the lower bound of projected demand growth (61%), indicating a shortfall in supply. It should be noted that this is a relatively short-term view, and additional large-scale schemes are emerging in the pipeline (see paragraph **5.41**), however all are longer-term in nature and/or subject to delivery uncertainty.

5.43 As set out in **The data centre opportunity** section above, AI workloads, particularly those driven by generative AI, require significantly more power and specialised infrastructure than cloud computing. As AI continues to grow and integrate into various industries, the demand for data centres that can handle these high-power, high-density workloads is increasing rapidly. As noted out in **paragraph 5.34**, approximately 70% of future demand is likely to be for data centres that are equipped to process AI workloads.[84]

5.44 The current pipeline, however, remains largely focused on traditional cloud and colocation provision, which is not optimised to support these requirements. Only a limited number of schemes expected to be operational by 2030 are explicitly designed to support AI-ready infrastructure, including QTS – Cambois, CloudHQ – Didcot, Court Lane – Buckinghamshire and Elsham Tech Park.

5.45 The combined AI-ready capacity of these schemes is estimated to be in the order of 1,000MW by 2030. By comparison, 70% of the lower bound increase in demand identified in **Figure 10** equates to approximately 1,376MW. This indicates a shortfall even against conservative demand assumptions.

Moreover, the UK Compute Roadmap states that “the UK will need at least 6GW of AI-capable data centre capacity by 2030”, highlighting the potential scale of the gap between supply and demand. Tech entrepreneurs, analysts and investors argue the UK will struggle to meet this target, given most of its current 1.8GW of data centres are not optimised for AI and concentrated around London.[85] **This implies that the AI segment of the data centre market is not being adequately addressed and highlights a pressing need for additional purpose-built facilities, such as the Proposed Development, to meet emerging requirements.**

5.46 In summary, while there remains uncertainty about the precise scale and type of future data centre requirements, using 2030 as a proxy suggests the current pipeline is very unlikely to meet overall demand or the demand for AI-optimised infrastructure. Error! Reference source not found.

[84] McKinsey & Company. 2024. AI power: Expanding data centre capacity to meet growing demand

[85] FDI Intelligence, 2025. The UK’s growing ‘compute gap’ threatens AI ambitions

6. Why here?

Issues locating data centres in London

6.1 London's status as a global hub for financial services, technology firms, and international businesses has long cemented its appeal as a prime location for data centres. Proximity to end-users and major business hubs offers low-latency connections, meeting the needs of enterprises requiring secure and quick digital solutions. However, significant constraints are reshaping this landscape. Traditional hubs such as West London, Slough, and Docklands are increasingly constrained by both land availability and access to power. In particular, parts of West London have been subject to effective capacity constraints on new grid connections – often described as a "power moratorium" – due to limited available electricity network capacity. As a result, new large-scale connections in some areas are not expected to be available until **2030–2032**, pending major grid reinforcements.[86]

6.2 Many companies, particularly those needing large-scale data centres, cannot afford to wait this long meaning alternatives are required elsewhere. Not providing the facilities that companies need puts in jeopardy the attractiveness of the wider London data centre market. This risks the UK's competitiveness economically on the global stage.

6.3 The evolving demands of AI-ready data centres, which differ from traditional cloud data centres (explained in further detail below), further complicate London's suitability. High land prices reaching up to £17m per acre in some areas make the financial viability of developing large data centres in London increasingly impractical.[87] As a result, operators are now seeking alternative locations outside the M25, where land is more affordable and power supply constraints are less severe.[88] This shift highlights the growing challenges of maintaining London as a data centre hub amid rising costs, energy demands, and the need for future-ready infrastructure.

Why this location specifically?

6.4 As detailed in the chapter entitled **The data centre opportunity**, the rise of machine learning and AI has generated a new demand AI-ready data centres. The specific locational requirements of these facilities differ from those associated with cloud data centres. The typical locational requirement arguments for cloud data centres specifically have previously formed the consensus as to the locational needs of all data centres. This makes sense considering that cloud data centres represent the majority of the data centre market in the UK. However, AI-data centres have different locational priorities, challenging the traditional arguments that have previously dictated desirable data centre locations.

6.5 A UK Data Centre Sector (2020) report by techUK identifies the three traditional locational requirements cited for data centres, which are power, position and ping:[89]

- Power – a high quality energy supply.
- Position – the access to customers, data centres need to be nearby to their users.
- Ping – connectivity, data centres need to be located in areas where connectivity is strong and reliable.

6.6 These factors remain important, but the growth of AI workloads has changed the way they are weighted in practice. In particular, some AI workloads, especially large-scale model training, are less sensitive to end-user latency than many traditional cloud applications and real-time digital services. Their locational requirements are more strongly influenced by access to substantial power capacity, cooling, land and high-performance network infrastructure. [90] By contrast, AI inference and some cloud workloads can remain latency-sensitive. As a result, sites outside central London but with strong connectivity to London may offer

[86] Savills, 2023. Traditional data centre hotspots are changing, here's why

[87] Savills, 2023. Traditional data centre hotspots are changing, here's why

[88] CBRE. 2023. UK Real Estate Market Outlook

[89] techUK, 2020. The UK Data Centre Sector: The most important industry you've never heard of

[90] DCD, 2024. The AI-ready data center

an attractive balance between access to a major market and the infrastructure conditions needed for large-scale digital and AI capacity. Amazon web services (AWS) guidance similarly distinguishes between training workloads, which are generally throughput-oriented, and inference workloads, which are often more latency-sensitive.[91]

6.7 Instead of smaller cloud data centres that are strategically located nearby London, AI-ready data centres are moving towards developing larger facilities in excess of 200MW campuses.[92] Facilities of this size are required to handle to substantial computational demands of AI.

6.8 Larger campuses in excess of 200MW bring advantages in terms of economies of scale.[93] The operating costs for AI-ready data centres do not increase linearly with size. Larger facilities can achieve significant cost savings per unit of computing or energy compared to smaller facilities. This cost-efficiency experienced at larger-scale facilities benefits both operators and customers. Larger campuses enable data centre providers to achieve higher operational efficiencies, such as:

- Better energy management;
- Shared infrastructure costs; and
- Operational optimisation – for example more cost effective maintenance.

6.9 Additionally, there is a market requirement for AI-ready data centres to be larger due to the scale of prospective clients that would utilise the data centre's services. At the forefront of AI technology are hyperscale customers, multinationals key for the UK economy such as Amazon Web Services, Microsoft, Google, Meta, and TikTok. The requirements of such companies align more so to larger scale facilities.

6.10 Overall, the AI-ready data centre brings with it new conventions regarding scalability and strategic location. The emergent locational benefit related to AI-ready data centres have a stronger link to size and value. Large land parcels that can accommodate such facilities are simply not available within London, and there is no longer a need for them to be.

6.11 The transition towards larger scale facilities will only increase sustainability concerns. Data centres already require vast amounts of power, and a trend towards larger scale facilities will only make this requirement greater. Forthcoming data centres will require access to clean sources of energy to lessen their environmental impact. In addition to this, cooling remains a major concern for large-scale facilities. Cooling accounts for 30% of data centres power consumption.[94] As the power requirements of data centres increase, traditional cooling methods are not considered appropriate. This is leading to a trend towards liquid cooling solutions. Advantages of liquid cooling solutions include: [95]

- Potential to reduce cooling power consumption by up to 60% compared to traditional air cooling;
- Ability to handle higher power densities, making it ideal for AI workloads; and
- Improved overall energy efficiency.

6.12 This trend means that water availability is becoming a key locational consideration.

The Site meets these new requirements

Proximity to London

6.13 Even though AI data centres aren't reliant on low latency, having good latency can only be viewed as beneficial. It speeds up data transfers, helps them integrate smoothly with cloud services, and supports real-time applications when needed. It also makes updating models faster and keeps operations running efficiently, giving them a competitive edge and flexibility for the future. The Proposed Development being

[91] AWS, 2026. Challenges of inference compared to training

[92] DCD, 2024. The AI-ready data center

[93] DCD, 2024. The AI-ready data center

[94] Creative Strategies, 2024. Data Center Evolution: AI Changing Datacenter Design Strategies

[95] Creative Strategies, 2024. Data Center Evolution: AI Changing Datacenter Design Strategies

located nearby London means that it can still capitalise on these latency benefits despite the fact that AI-ready data centres are not reliant on low latency locations.

6.14 Also, many of the hyperscale customers mentioned in **paragraph 6.9** already have headquarters in London. London is currently experiencing a significant surge in AI activity. Investment in London-headquartered AI start-ups reached a record $3.5bn in venture capital in 2024, representing a 52% increase on the $2.3bn raised in 2023.[96] According to the Tech Nation 2025 report, the UK tech ecosystem is now valued at around $1.2tn US dollars, making it the largest in Europe and more than double the combined value of France and Germany.[97] As Europe's top tech hub, the majority of the continent's tech companies are concentrated in London and the South-East. This makes the location of the Proposed Development viable for potential customers.

6.15 In the context of wider Europe, London stands out as Europe's leading destination for AI investment, surpassing cities like Paris and New York. The city hosts approximately 1,800 AI firms, including notable players such as Google/Deep Mind, OpenAI and Wayve.

Size

6.16 The Site of the Proposed Development offers the amount of space required to build an AI-ready data centre of a scale required to meet the demands set out above. Overall, the Site covers an area of 57.8 hectares (143 acres), spanning an area which was formerly a quarry. This will allow for all the advantages associated with larger campuses previous described in the section entitled **Why this location specifically?** to be realised.

[96] London & Partners. 2025. London Hits All-Time High for Venture Capital Investment into AI in 2024.

[97] TechUK. 2026. UK Tech in 2025 and what comes next for 2026

7. The significant contribution of the Proposed Development to economic growth

Contribution to data centre need

7.1 Data infrastructure is essential to the UK economy, with data centres forming a key part of this network. Without adequate capacity for data storage serving London, the city risks losing investment to international competitors. Businesses may choose to relocate to other cities with more advanced data infrastructure, leading to slower growth for UK firms as they are forced to rely on alternative, potentially less secure or slower, data storage solutions.

7.2 As set out in the Future demand for data centres in the UK section above, there is strong evidence of rapid growth in the need for data storage. The Proposed Development would provide a significant contribution of data storage space (720MW at current PUE capability, which is expected to improve in the future with technological advancements) to meet the future needs of businesses. This amount represents a new scale compared to existing data centres, offering nearly 2.9 times the data storage capacity of Next Generation (250MW), currently the largest data centre in the UK. As set out in **paragraph 5.1**, data centres in the UK are now designated as CNI. The significant scale of the Proposed Development therefore illustrates its potential to be nationally significant.

7.3 As per **Figure 9**, the current total UK data centre market size is 3,220MW. The Proposed Development would therefore contribute additional data storage totalling approximately 22% of the current data centre demand in the UK (at 720MW IT load).

7.4 In addition, the Proposed Development would deliver a single scheme of a scale that is larger than the majority of data centre developments in the pipeline and any data centre currently in operation. By delivering a scheme with a significant IT load, the only other data centre in the UK pipeline of a larger scale that could be identified was QTS Cambois.[98]

7.5 As set out in **paragraph 6.1** above, power constraints will limit the pace of data centre expansion.[99] However, Proposed Development faces no such limitations. Before securing a connection to the national grid in 2034, the development will be powered via a gas pipeline from the NTS.[100] This positions the development uniquely to meet the expected step change in demand, as it is not subject to the same power constraints that many other sites and proposals will face.

7.6 The Proposed Development will also increase resilience in the data centre market. As set out in the **Future pipeline of data centres in the UK** section above, for any nationally significant or critical infrastructure, relying on a small number of assets to potentially meet demand poses significant risks. The addition of this substantial data centre to the UK market would enhance resilience by reducing over-dependence on individual facilities and ensuring continuity in meeting future demand.

Contribution to local policy

Central Bedfordshire Economic Strategy (2021)

7.7 The Central Bedfordshire Economic Strategy provides a strong economic narrative for Central Bedfordshire, reflecting on how Central Bedfordshire can make the most of its current and future strengths and

[98] https://qtsdatacenters.com/cambois-community/

[99] Data Centre Knowledge. 2024. Power Is Key to Unlocking AI Data Center Growth

opportunities.[101] The intention of the Central Bedfordshire Economic Strategy is to generate sustainable, inclusive economic growth.

7.8 The following six themes have been identified within the strategy in order to build local prosperity, these six themes are as follows:

- Providing skills for the future to support more high quality and well-paid jobs;
- Supporting existing businesses and attracting new innovative business to the area who will invest in Central Bedfordshire and employ local people;
- Creating sustainable places for the future;
- Making strategic relationships work for Central Bedfordshire;
- Investing in infrastructure including transport and energy infrastructure to support future growth; and
- Embedding the Council in the Local Economy.

7.9 Specific actions included in the Central Bedfordshire Economic Strategy include:

- **Investment in Digital Infrastructure:** Maintain strong ties with Central Government to bring investment into Central Bedfordshire that will enable the delivery of ultrafast broadband infrastructure and better mobile connectivity.
- **Ensuring priority sectors align with the region's priorities:** Supporting innovation and R&D in the life sciences sectors, aviation, space technologies, future mobility and zero-carbon energy are priorities for our region. Data centres are central to facilitating these sectors and have now themselves been identified in the NPPF.

7.10 The Proposed Development will contribute to Central Bedfordshire achieving the objectives set out in its Economic Strategy by:

- **Generating significant investment in energy and digital infrastructure:** The Proposed Development will deliver large-scale, resilient power and data infrastructure, directly supporting the Strategy's objective to invest in infrastructure that enables future growth. This will enhance the area's capacity to support data-intensive industries and improve overall connectivity and digital capability.
- **Creating the right conditions for existing businesses and inward investment**: The availability of large-scale, AI-ready digital infrastructure will enhance Central Bedfordshire's attractiveness to national and international investors, particularly in high-value, technology-led sectors, aligning with the Strategy's aim of attracting innovative businesses to the area.

SEMLEP Strategic Economic Plan and Industrial Strategy (2017)

7.11 The Southeast Midlands Local Economic partnership (SEMLEP) Strategic Economic Plan (2017) aims to ensure that the Southeast Midlands economy thrives and contributes to the success of the UK economy.

7.12 The SEMLEP Economic Plan identifies 'showcase sectors', which are targeted for future growth. These include:

- High Performance Technology;
- Advanced Technology;
- Logistics; and
- Arts, Heritage, Sports, Visitor Economy, Cultural, and Creative Industries.

7.13 Facilities such as the Proposed Development will be critical in ensuring that the SEMLEP region achieves its full potential growth in these target sections, particularly High Performance Technology and Advanced Technology.

[101] Central Bedfordshire, 2021. Central Bedfordshire Economic Strategy Building Local Prosperity

Economic impacts of the Proposed Development

7.14 A key benefit of the new data centre is its contribution to local and national data infrastructure needs, supporting the UK's critical systems. However, a new data centre also produces significant economic benefits. These benefits are delivered through:

- **Initial (and temporary) economic activity associated with the construction of the data centre:** This includes on-site construction employment, supply chain activity (particularly for specialist equipment), and associated expenditure in the local and wider economy, generating short-term economic benefits.
- **Long term economic activity associated with the operation and running of the data centre:** Once operational, the Proposed Development will support permanent employment, generate worker expenditure, and contribute to GVA, tax revenues and business rates. It will also support wider economic activity by enabling data-dependent sectors to grow and operate more efficiently.

Construction phase

Construction employment

7.15 Construction of data centres is very different to standard construction projects. Limited AI-ready data centres have been built to date.

7.16 Data centres involve considerable specialist equipment. This means that a very high proportion of the construction expenditure is spent on equipment which will likely be sourced from across the UK and further afield. The Applicant team has confirmed the off-site manufacturing of the following items:

- E-houses: Modular, prefabricated buildings housing electrical equipment like switchgear and transformers;
- Switchgear: Equipment managing the flow of electricity within the data centre, protecting against faults;
- Generators: Backup power sources ensuring continuous operation during outages;
- Chillers: Systems that cool air or liquid to maintain optimal temperatures for data centre equipment;
- Transformers: Devices that convert electricity to the appropriate voltage levels for use; and
- Sprinkler tank: A storage tank holding water for the fire suppression system.

7.17 The scale of investment associated with the Proposed Development is expected to generate substantial employment during the construction phase. No data centres of this scale have yet been built in the UK. As detailed socio-economic estimates for this scheme have not yet been prepared, comparable developments provide a useful benchmark for understanding the likely scale of impacts. For example, a recently submitted (July 2025) outline planning application for a circa **150MW (55,000sqm)** data centre at Pinewood Studios in Buckinghamshire (PL/25/2076/OA), supported by a Socio-Economic Assessment prepared by Nicol Economics, estimates **4,400–5,100 person-years of direct construction employment**. Given that the Proposed Development is significantly larger in scale, it is reasonable to expect that construction employment would exceed this range. The same assessment estimates that the Pinewood scheme would generate **£350 million–£450 million in cumulative construction GVA**.

7.18 This is consistent with other comparable developments. For instance, a **90MW (64,000 sqm)** data centre at Iver Heath in Buckinghamshire (PL/24/2130/FA), supported by an assessment prepared by Montagu Evans, is estimated to generate **2,308 person-years of construction employment** and approximately **£305 million in construction GVA**.

7.19 These examples demonstrate the substantial scale of construction activity associated with data centre developments. The Proposed Development, at approximately **164,000 sqm**, is almost **three times larger** than the Pinewood scheme. While the relationship between scale and economic impact is unlikely to be strictly linear due to economies of scale, the Proposed Development is expected to deliver construction-related economic benefits that are at least commensurate with, and likely exceed, those identified above. This reflects its scale and supports its classification as a development of national significance.

Construction worker expenditure

7.20 Construction worker expenditure per day is derived using a GLA estimate of assumed worker expenditure of approximately £13.00 a day.[102] This is then uplifted to 2025 prices, and then adjusted to the construction sector by using industry earnings differentials. It is also adjusted to reflect different earnings for construction workers from the East Midlands, the East, the South East, and London relative to London construction workers using regional earnings differentials. After these adjustments, the estimated daily construction worker expenditure is £11.43 per worker per day. This value is then multiplied by the assumed number of working days per year (220), and the average number of construction jobs supported per year.

7.21 The average number of construction workers per year is derived from comparator evidence. Using the upper bound of the Pinewood Studios estimate (**5,100 person-years as minimum estimate**) and applying this across an assumed construction period of **5.5 years**, results in an estimated **930 workers on-site per year**.

7.22 Based on this, the construction workers on-site are estimated to spend an average of £2.3m per year during the construction period. This is equivalent to £12.8m over the full construction period.

Operational phase

7.23 The Proposed Development will generate substantial economic benefits in the operational phase. To counter the inherent uncertainty in estimating employment generated at data centres (particularly at this stage of the project) and provide an estimate of employment that is tailored to the operating model of the Proposed Development, two scenarios for estimating employment at the Proposed Development are presented. For the purposes of the remaining economic impacts a range between the low employment scenario and the high employment scenario is utilised. These scenarios are the lower, benchmark scenario and the higher, AI-ready planning application scenario. Several other employment scenarios were considered within this assessment, however, all their resultant employment estimates fell within the range generated by the two chosen scenarios.

Direct employment

Data centre employment

Benchmark scenario (low employment)

7.24 The benchmark scenario considers FTE generation for other data centre planning applications in the UK. In total, information from nine other UK-based data centre planning applications is considered. The benchmark scenario considers the employment generated in other data centre planning applications per square metre (sqm) at the respective data centre development. This approach aligns employment with the physical size of the data centre. This approach assumes consistent space utilisation and is independent of technological advancements.

7.25 The benchmarking process illustrates that on average, across the nine other UK-based data centres, the average FTEs generated per sqm is approximately 0.003 FTEs. When applied to the 164,000sqm of data centre floorspace at the Proposed Development, this equates to approximately 445 FTEs generated by the data centre. This equates to approximately 485 jobs once part-time working patterns are accounted for.

AI-ready planning application scenario (high employment)

7.26 There is a small evidence base of planning applications available for AI-ready planning applications globally as they represent a new development in the history of data centres. However, in line with successful AI-ready data centre planning applications, a 1.1MW IT load per FTE ratio is assumed in this scenario.[103] This approach ties employment generation to operational intensity at similar types of data centres. This approach

[102] GLA Economics, 2020. Lost worker vs. tourism expenditure in the CAZ

[103] Note: This approach to employment estimation represents an accepted industry practice according to expert opinion.

reflects the complexity of systems at AI-ready data centres and their bespoke operational requirements. This approach also accounts for saleability at AI-ready data centres.

7.27 When the 1.1MW IT load per FTE ratio is applied to the minimum 720MW IT load at the Proposed Development, this equates to approximately 790 FTEs at the data centre. Once part-time working patterns are accounted for, this equates to approximately 865 jobs.

Employment at supporting uses

7.28 There are a range of other employment supporting use classes that will be delivered as part of the Proposed Development. The proposed floorspaces for these areas and a description of activities expected to take place in these supporting uses is outlined in **Table 4**.

7.29 Also set out in **Table 4**, are the employment densities used to estimate likely employment in these spaces. Employment densities are based on the HCA Employment Densities Guide, using a range of assumptions to reflect uncertainty at this stage. Higher sqm per FTE ratios are applied in the low scenario to produce a lower employment estimate, while lower ratios are applied in the high scenario to produce a higher estimate. This approach provides a reasonable range of potential employment outcomes, within which the actual impacts of the Proposed Development are expected to fall.

7.30 For the growing space at the Proposed Development, a planning application for another hydroponic growing facility has been utilised. This provides a sqm per FTE ratio for the growing space that is deemed more accurate than anything that can be assumed from the HCA Employment Densities Guide due to the bespoke nature of the space.

7.31 For the training building, an average of the HCA employment densities guide suggestions for D1 (education) and D2 (events/community use space) is utilised to account for the uncertainty related to activities expected to be undertaken in this space.

Table 4 – There are three supporting uses at the Proposed Development.

Supporting floorspaces and densities at the Proposed Development

Use space	Sqm (NIA)	Employment densities (sqm per FTE)	Description
Office space	2,240	10 – 12	Standard office floorspace, including desk spaces, meeting rooms and supporting facilities.
Growing space	8,480	3,454	Hydroponic cultivation within polytunnels, creating roles in plant care, harvesting, and sustainable agriculture innovation.
Training, education and research building	1,200 (GIA)	58 (GIA)	Flexible use as either education space or community / event space. The facility may be available to local residents, students, educational institutions and businesses, providing opportunities for workforce training, community engagement and collaboration.

Source: HCA, 2015. Employment Density Guide 3rd Edition

Total employment

7.32 **Table 5** outlines the total employment generation expected under each scenario once data centre employment and supporting uses at the Proposed Development are combined.

Table 5 – The Proposed Development has the potential to generate up to 1,145 direct jobs.

Direct employment generated at the Proposed Development across employment scenarios

Use space	Floorspace (NIA)	Benchmark scenario (low employment)		AI-ready scenario (high employment)	
		FTEs	Jobs	FTEs	Jobs
Data centre	131,200	445	485	790	865
Office space	2,240	170	195	225	255
Growing space	8,480	<5	5	<5	5
Training, education and research building	1,200 (GIA)	20	25	20	25
Total	**142,880**	**640**	**710**	**1,040**	**1,145**

Note: figures may not sum due to rounding.

Worker expenditure

7.33 Once operational, workers at the Proposed Development would have an economic impact through their spend in the local economy. This is calculated in a similar way to construction worker expenditure by applying earnings differentials by relevant industry that would operate in the Proposed Development. Once these differentials have been accounted for, it is estimated that the average data centre worker would spend £16.61 in the local economy daily, the average office worker would spend £13.37 locally per day, the average growing space worker would spend £14.55 locally per day, and the average worker in the training, education and research building would spend £8.11 locally per day.[104]

7.34 Based on this, workers at the Proposed Development are estimated to spend approximately £2.2m to £3.6m per annum based on the employment scenario.

Net additional employment

7.35 Net additional jobs are those supported above and beyond what would have happened if the Proposed Development was not built. The HCA additionality guide provides a framework for estimating the additional impacts of a development. The framework considers:

- **Displacement** – the proportion of jobs supported at the Site that would have occurred elsewhere in the absence of the Proposed Development. Considering the high demand for data centres in the UK, and the government's effort to significantly enhance the UK's data centre infrastructure it is deemed reasonable to apply a low displacement factor (25%).[105] This is further supported by the fact that the Proposed Development will introduce new, high-skilled employment opportunities locally, helping to

[104] GLA Economics, 2020. Lost worker vs. tourism expenditure in the CAZ

[105] Homes and Communities Agency, 2014. Additionality Guide: Fourth Edition. It is understood that this guide has been withdrawn in 2022. However, in the absence of alternative guidance, it is considered best industry practice to inform the choice of displacement and multiplier factors in estimating net additional employment.

diversify the economic base and meet growing demand for digital and technical roles, rather than displacing existing activity.

- **Composite multiplier** – accounts for the knock on impacts elsewhere, covering income and supply chain multiplier effects. The Proposed Development and data centres in general will have significant knock on impacts at the national level. This is due to their function in facilitating productivity and employment. It is therefore expected that there will be a high employment multiplier at the national level supported by the Proposed Development. Studies have been produced which attempt to detail the multiplier impact of data centres. After review of these studies, it is deemed appropriate to utilise a range of national level employment multipliers, ranging between 5.9 and 7.4, to produce a low and high net additional employment scenario.[106] [107] [108]

Table 6 – The Proposed Development has the potential to generate up to 6,365 jobs at the national level.

Net additional employment generated as a result of the Proposed Development

Metric	Benchmark scenario (low employment) (5.9 multiplier)		AI-ready scenario (high employment) (7.4 multiplier)	
	FTEs	Jobs	FTEs	Jobs
Gross additional direct	640	710	1,040	1,145
Net direct (following displacement)	480	530	780	860
Net indirect/ induced (multiplier)	2,350	2,605	4,990	5,505
Total net additional	2,830	3,135	5,770	6,365

Source: ONS, 2021. Census 2021, Origin Destination; Homes and Communities Agency, 2014. Additionality Guide: Fourth Edition.

GVA

7.36 The economic activity on-Site at the Proposed Development can be measured by Gross Value Added (GVA), which is a measure of the economic value produced by the activity in a given area. Economic activity generated by the Proposed Development is estimated by applying average GVA per worker in the sector to the estimates of direct employment created. Based on this methodology, the Proposed Development is expected to support an estimated £46m to £73m of economic activity per year based on the employment scenario.[109]

7.37 When factoring in net additional employment, net additional GVA to the UK economy is estimated between £207m - £421m.

Tax contributions

7.38 Tax revenues for government can also be estimated by comparing national statistics on GVA between 1997 and 2017 with public sector receipts. [110,111] It is estimated that tax revenues accruing to HM Treasury are between 30% and 40% of GVA. This occurs through business rates, VAT, corporate and income tax.

[106] Note: These studies include an Oxford Economics study on Googles data centres and a PwC study from 2023. Both of which are referenced below.

[107] Oxford Economics, 2018. Google Data Centres

[108] PwC, 2023. Economic, Environmental, and Social Impacts of Data Centers in the United States

[109] ONS, 2024. Regional GVA (balanced) by industry 2022; ONS, 2023. Business Register and Employment Survey 2022

[110] ONS, 2021. Gross value added

[111] ONS, 2021. Public sector finances

7.39 Based on assumption and the employment scenarios, it is estimated that the Proposed Development will result in between £13.8m and £29.0m of additional tax revenues per year.

7.40 When factoring in net additional employment, net additional tax revenues are estimated between £62m - £168m.

Business rates

7.41 Business rates in England are a tax that applies to non-domestic properties. The new commercial space incorporated in the Proposed Development will provide additional revenue for government through business rates. Business rates accruing from the Proposed Development will equate to an estimated £7.1m per annum.

Summary of impacts

7.42 The economic impacts generated by the Proposed Development are outlined in **Table 7**.

Table 7 – Economic impacts generated at the Proposed Development across scenarios

Economic impact	Low employment scenario	High employment scenario
Construction employment (minimum annual)	**930**	**930**
Construction worker expenditure (minimum annual)	**£2.3m**	**£2.3m**
Construction worker expenditure (total)	**£12.8m**	**£12.8m**
Direct employment (FTEs)	**640**	**1,040**
Direct employment (jobs)	**710**	**1,145**
Worker expenditure (annual)	**£2.2m**	**£3.6m**
Total net additional employment (National) (FTEs)	**2,830** (5.9 multiplier)	**5,770** (7.4 multiplier)
Total net additional employment (National) (jobs)	**3,135** (5.9 multiplier)	**6,365** (7.4 multiplier)
Direct Gross Value Added (annual)	**£46m**	**£73m**
Net additional GVA	**£207m**	**£421m**
Tax contributions (annual)	**£13.8m**	**£29.0m**
Net additional tax	**£62m**	**£168m**
Business rates contributions (annual)	**£7.1m**	**£7.1m**

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