



North West Regional Investment Collab

Report

PAGABO®

Foreword from Jonathan Parker

The Beatles. Oasis. World-class sports clubs, universities and museums. Coronation Street. Professor Brian Cox. The birth of the first 'test-tube baby'. L.S. Lowry. Vimto. Football nets. Emmeline Pankhurst. Chester Zoo. Jodrell Bank. Blackpool Tower and its famous bouncy ballroom floor...

The list of what the North West has contributed to history and culture goes on, driving the immense pride people have in being a 'northerner'. People hold extremely strong affinity with their home even if they move away, and the community spirit and 'togetherness' never shines brighter than in some of the region's toughest moments.

But like any region, there is vast difference in the communities across it and we can't treat everyone from the wider region with the same broadbrush approach. Every area has its own unique identity – meaning the approach to development always needs to keep that specific place in mind.

When it comes to development, the region has long been a hotbed of activity. Long known for its industrial legacy and resilient communities, the region is undergoing a profound transformation – becoming a hub of modern development, creative regeneration, and ambitious placemaking.

With population growth, a booming innovation economy, and increasing investment interest, the opportunity for developers, local authorities, and investors to shape the future of the region has never been greater. But where opportunity lies, there are always challenges to overcome and many of those faced in the North West are shared around the country. Infrastructure funding gaps, project viability, the complexity of productive public-private partnerships, and shifting policy landscapes all play their part in determining how – and how quickly – progress can be made.



Jonathan Parker
Director of Development
at Pagabo

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As with many things, collaboration and innovative approaches are going to be key. That's why we brought together developers and local authority leaders from across the North West for a series of discussions focused on the future of place, funding, and development viability in the region.

From the urgent need to reimagine how we fund infrastructure, to the cultural shift needed to redefine what makes a place truly successful, this report brings everything

together with a forward-looking perspective on how we can work together to unlock the region's full potential.

The North West is a place of talent, ambition, and deep community pride. In many ways it's already paving the way in transformative development – but with the right support, collaboration, and clarity of purpose there is no reason this region can't lead the next chapter in the UK's story of growth and continue its great contributions to history and culture.

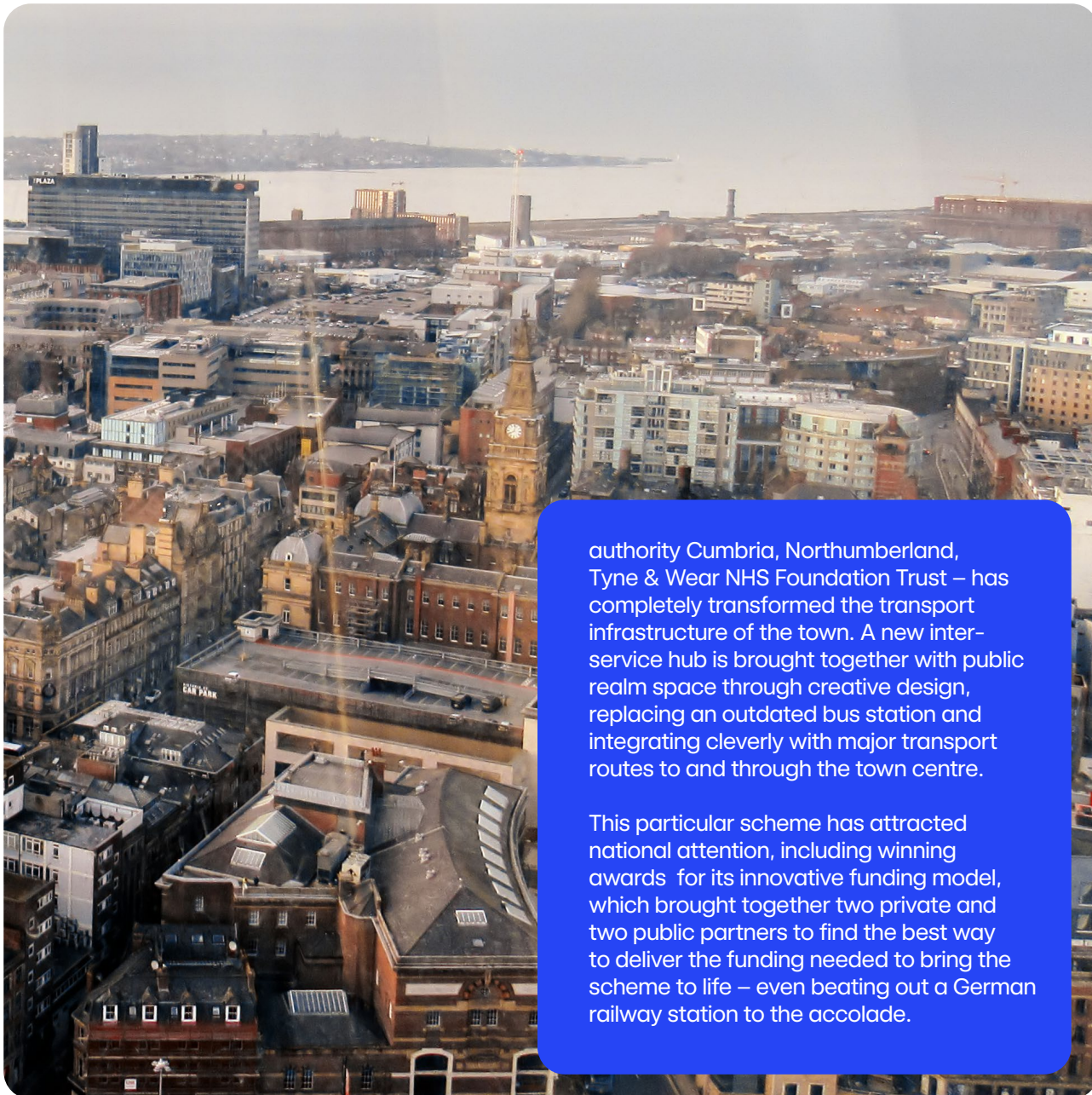
Unlocking Investment Opportunities in the North West

The North West can be described as a region of contrast – home to iconic urban centres like Manchester and Liverpool, through to rural communities. It's a place of both vibrancy and complexity. Historically marked by post-industrial challenges and regional disparities, the region is shifting its reputation. No longer simply a region with untapped potential, it's increasingly recognised for delivering real results.

Urban population growth – particularly in cities – is driving demand for housing, transport, and commercial infrastructure. Manchester alone has seen a rapid population growth since 2000, surging from 422,000 to more than 600,000 – and is continuing to rise. This creates both urgency and opportunity for local authorities, developers, and funders to collaborate on delivering the homes and infrastructure needed. But the opportunity isn't limited to the major cities. Towns like Stockport, Warrington, Preston, and Crewe are emerging as attractive locations for new development.

For example, Stockport Interchange – which was procured through the Major Works Framework managed by Pagabo for contracting





authority Cumbria, Northumberland, Tyne & Wear NHS Foundation Trust – has completely transformed the transport infrastructure of the town. A new inter-service hub is brought together with public realm space through creative design, replacing an outdated bus station and integrating cleverly with major transport routes to and through the town centre.

This particular scheme has attracted national attention, including winning awards for its innovative funding model, which brought together two private and two public partners to find the best way to deliver the funding needed to bring the scheme to life – even beating out a German railway station to the accolade.

Showcasing the success

A key part of the North West's appeal is its willingness to innovate – and the power of devolution has been fully unveiled. The transformation seen in Blackpool over the past decade is a strong case in point, which was highlighted during the panel discussion at the North West Regional Investment Collab.

Nick Gerrard, growth and prosperity programme director at Blackpool Council, reflected on this transformation. Ten years ago, the idea of a large-scale regeneration programme for the town was, in his words, “not on the table.” Yet today, Blackpool is not only being taken seriously as an investment destination – it's been showcased on the global stage at MIPIM, demonstrating both the momentum built over recent years and the potential it still holds.

The council has secured substantial government funding and initiated a far-reaching investment programme. The results speak for themselves, including a landmark £100m, 215,000 sq ft civil service hub procured through the Major Work Framework that Pagabo manages for Cumbria, Northumberland, Tyne & Wear NHS Foundation Trust. These efforts have been underpinned by a bold approach to borrowing and

delivery, which has unlocked genuine forward momentum for regeneration.

The town has a huge investment programme underway, with the earliest schemes under the programme now open and delivering transformative results. What's happening in Blackpool goes to show what can happen with a bold approach, and great collaboration between public and private sectors – and between investment and planning departments within local authorities too.



Skills, capacity and planning for the future

Even with forward momentum, challenges still remain around skills and delivery capacity – issues that persist nationwide and impact the trajectory of every region.

While investment appetite appears to have increased in recent years, factors like the recent period of political uncertainty, fluctuating market conditions, and inflationary pressures from global events have created an element of hesitation among some investors and developers.

One of the most pressing concerns is the availability of skilled professionals – not just in the construction and trade sectors, but also the public sector itself. Local authorities are facing increasing strain as they navigate complex development pipelines, often without the full technical or strategic capacity needed to deliver at pace. This is particularly acute in smaller councils, where resources are often even more stretched and recruiting talent is historically hard – especially compared to the private sector.

Areas like Cumbria illustrate the nuanced landscape of both challenge and opportunity. As a more sparsely populated area, it doesn't have the same density of development activity as city centres. However, it stands on the cusp of significant economic transformation, thanks to expanding investment in the nuclear, clean energy, and

advanced manufacturing sectors. These projects bring major opportunities for long-term growth, but also underscore the need for a workforce across the public and private sectors that can collaborate and match the technical demands of such industries. Developing the right local training pipelines, upskilling existing workers, and attracting new talent to the region will be crucial.





In parallel, the conversation around planning reform continues. While recent efforts have aimed to streamline the system and encourage delivery, questions remain about whether current reforms are going far enough to unlock development at scale. The planning process must not only be faster but also more aligned with the practical realities of development in areas like the North West

- where brownfield regeneration, complex ownership models, and infrastructure gaps require flexibility and creativity. Without a more agile, well-resourced planning framework, the region risks being held back by administrative bottlenecks, despite having the vision and investment interest needed to move forward.



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The path forward: Alignment and innovation

The success of regeneration increasingly hinges on one central idea: **alignment**.

Between investors and development partners. Between public and private sectors. Between internal teams within councils. And, critically, between local ambitions and national policy.

To really capitalise on the current momentum in the North West, **it is essential that development partners and investors are brought into the conversation early** – and that they all share the same long-term vision as local authorities. Building trust, creating shared goals, and fostering transparent relationships are crucial for sustaining progress, especially in areas that may have more constrained capacity.

For some local authorities – those with smaller teams especially – this presents a real balancing act. Many are managing ambitious regeneration agendas with limited teams, often juggling competing priorities that range from town centre renewal to net zero transitions, housing delivery, and economic inclusion. This reality makes it more important than ever to think innovatively about

how to structure delivery. Leveraging frameworks, strategic partnerships, and shared service models can all help councils to do more with what they have – maximising impact without overstressing resources.

In some cases, it may mean doing fewer things but doing them better. Focusing on projects that act as catalysts for onward regeneration – unlocking wider development, attracting follow-on investment, and boosting local confidence – can be more impactful than attempting to progress numerous disconnected schemes. Building in flexibility in both funding mechanisms and delivery timelines will also allow partners to adapt to changing conditions without losing sight of those shared, long-term goals.

Ultimately, regeneration is not just about new buildings or infrastructure – it's about creating places where people want to live, work, and invest. That vision is already becoming a reality in many parts of the North West. The challenge is now to maintain that momentum, scale success, and ensure that every place – large or small – has the tools and partnerships it needs to thrive.





Overcoming Funding Challenges

Despite the North West's considerable momentum, the question of funding remains a persistent challenge. Local authorities continue to face acute financial pressures, while capital investment from central government is often shaped by shifting political priorities – particularly in the aftermath of elections or changes in leadership. As a result, the responsibility for translating vision into delivery frequently falls on those who have the means, flexibility, and appetite to take on risk. But that alone is not enough.

During the North West Regional Investment Collab, Peter Chalmers of the National Wealth Fund captured the dilemma succinctly, saying: "Investors like ourselves are supposed to be the solution to the problem, but often when we speak with authorities, many of their projects are far from being ready to go. There is a gap between ambition and deliverability."

Local authorities are more often than not cash-strapped, facing a shortage of both capital and internal capacity. Even when a project appears "oven ready", the funding required to move it forward may still be out of reach. The role of organisations like the National Wealth Fund is to help bridge that gap – through helping those projects move to a place further along, which should build confidence in getting funding – whether that's through the project itself, funding streams, or partnerships.



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A photograph of four construction professionals—three men and one woman—wearing high-visibility yellow safety vests and white hard hats. They are gathered around a large set of architectural blueprints spread out on a surface, likely a construction site. The background shows the steel framework of a building under construction, with bright light filtering through the structure.

From vision to viability

Too many regeneration schemes stall not because of a lack of ambition, but because of unclear business plans, commercial readiness, or confusion around funding pathways. This results in a reactive environment where long-term, strategic projects are often missed or overlooked in favour of short-term “off the shelf” initiatives that fit narrow bidding criteria – but may not offer the desired long-term impact.

For funding bodies to back projects with confidence, proposals need to demonstrate clear strategic value, credible delivery plans, and realistic financial modelling. Authorities must resist the temptation to rush underdeveloped projects forward just because they are the “most ready.” Instead, having a portfolio of well-prepared, fundable schemes enables a more strategic, flexible response to emerging funding opportunities. And that requires the all-important collaboration discussed throughout this report.

It's not that the money isn't out there. Institutional finance, green bonds, and long-term investors are all actively seeking impactful, long-term investments. But to access these sources, projects need to be packaged appropriately, risks need to be well understood and distributed, and the overall vision must inspire confidence.

The magic word: Confidence

Confidence is the cornerstone of successful public-private partnership. It's very much a watchword but is something that must be cultivated – earned through clarity, reliability, and proactive engagement.

The public sector must inspire this confidence by using its assets and influence more strategically, by being open to new delivery models, and by convening the right partners around the table.

Local authorities have a unique role as the “convener of place.” They bring value not just through land and assets – particularly in town centres and shopping districts where they have increasingly stepped up to the plate in recent years – but also by assembling funding jigsaws, creating partnership networks, and enabling innovation in delivery.

Many are already thinking about their approach, recognising that past models of capital-heavy public investment are no longer sustainable. Flexibility, creativity, and cross-sector collaboration are now essential – and all parties need confidence in each other to drive success.



Devolution: A structural shift in funding flexibility

Positive change is beginning to take shape through devolution. The government is driving more spending autonomy in these combined authorities through the introduction of integrated settlements – with Greater Manchester Combined Authority being one of the first to receive this. These settlements

allow for greater flexibility – enabling authorities to act faster and target investment where it's most needed, without navigating a maze of competitive bids and ring-fenced pots.

However, what this approach doesn't bring is any more funding – and the public sector can't fill the gaps alone, so there needs to be more of a cultural shift for authorities to not act alone. Wider devolution still has a significant role to play. A single, flexible funding pot – rather than a fragmented, competitive system – would empower authorities to think more strategically, plan for the long term, and bring forward more impactful, place-based interventions.



Risk vs reward

One of the most complex tensions in regeneration funding remains the imbalance of risk and reward. Developers often feel they're expected to shoulder the bulk of financial risk - particularly in early stages - without always benefiting from public sector funding wins. At the same time, public authorities are understandably cautious about investing taxpayer money into schemes without guaranteed social value or clear delivery outcomes.

Bridging this gap will require a more open and transparent dialogue between sectors. Shared risk must be accompanied by shared reward - not only financially but also in terms of impact, outcomes, and community benefit. Collaborative business planning, early engagement, and a clear articulation of mutual value will be critical to building the trust needed to move from vision to delivery.

Looking Beyond Viability and Risk

Place is about more than just bricks and mortar. It's about identity, culture, community, infrastructure, accessibility, and sustainability. Creating great places requires long-term thinking—and a commitment to measuring success beyond financial returns.

To move forward, we need to shift the question from “Is this viable?” to “What kind of place are we trying to create?”

Rather than focusing on the so-called viability gap, we need to start talking about the societal benefits these projects unlock – whether that's community wellbeing, economic impact, or long-term savings to the public purse. For example, if we built 90,000 affordable homes today, we'd see an estimated £12 billion return to the taxpayer over 30 years. That's not just a statistic – it's a compelling case for long-term investment that tackles the housing, health, and inequality challenges of tomorrow, today.

The North West already offers inspiring examples of place-led regeneration. The rebirth of Manchester's city centre post-1996 bombing is often cited as a landmark in civic ambition and design-led recovery. But placemaking continues to evolve. Initiatives like the Bee Network – Greater Manchester's integrated transport plan – and the renewal of Stockport's town centre show how infrastructure and vision go hand in hand.

As Hayley Owens from Cheshire West and Chester Council put it: **“We are asset-rich and need to play to our strengths. That means working in partnerships, thinking differently, and being open to new delivery models.”**

Local authorities are more than just landowners or funders – they are conveners of place. With deep local insight, the ability to unlock land, shape policy, and broker relationships, councils are uniquely placed to lead place-based transformation.





Of course, this approach requires a degree of bravery. Councils must be willing to try new things, share risk, and be open and transparent about their capabilities and limitations. It's not about hand-holding – it's about setting the right conditions, offering clear guidance, and trusting in capable partners.

The perception that the public sector slows down procurement often comes from concerns around risk appetite, legal frameworks, and governance. But culture is changing. They are working to become more agile, using frameworks to streamline processes and reduce risk. It may feel like a leap of faith for some politicians, but in reality, this approach is an enabler – not a barrier.

From a council perspective, clarity and certainty

are essential. The private sector needs a stable environment that transcends political cycles, along with a clear, long-term plan that aligns visions. And that vision must be place specific. Investment shouldn't follow a "could be anywhere" model. For example, Chester isn't Northwich. Market towns have different needs from urban centres. Local distinctiveness matters – and successful investment strategies reflect that.

Finally, we must do a better job of telling the story. Even at a project level, the industry rarely talks about long-term social returns in meaningful ways. Too often, we talk in abstract numbers – jobs created, homes built, GVA uplift – without explaining what those figures actually mean for people. We must go beyond the data and talk about real, lived impact.

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Placemaking with a purpose

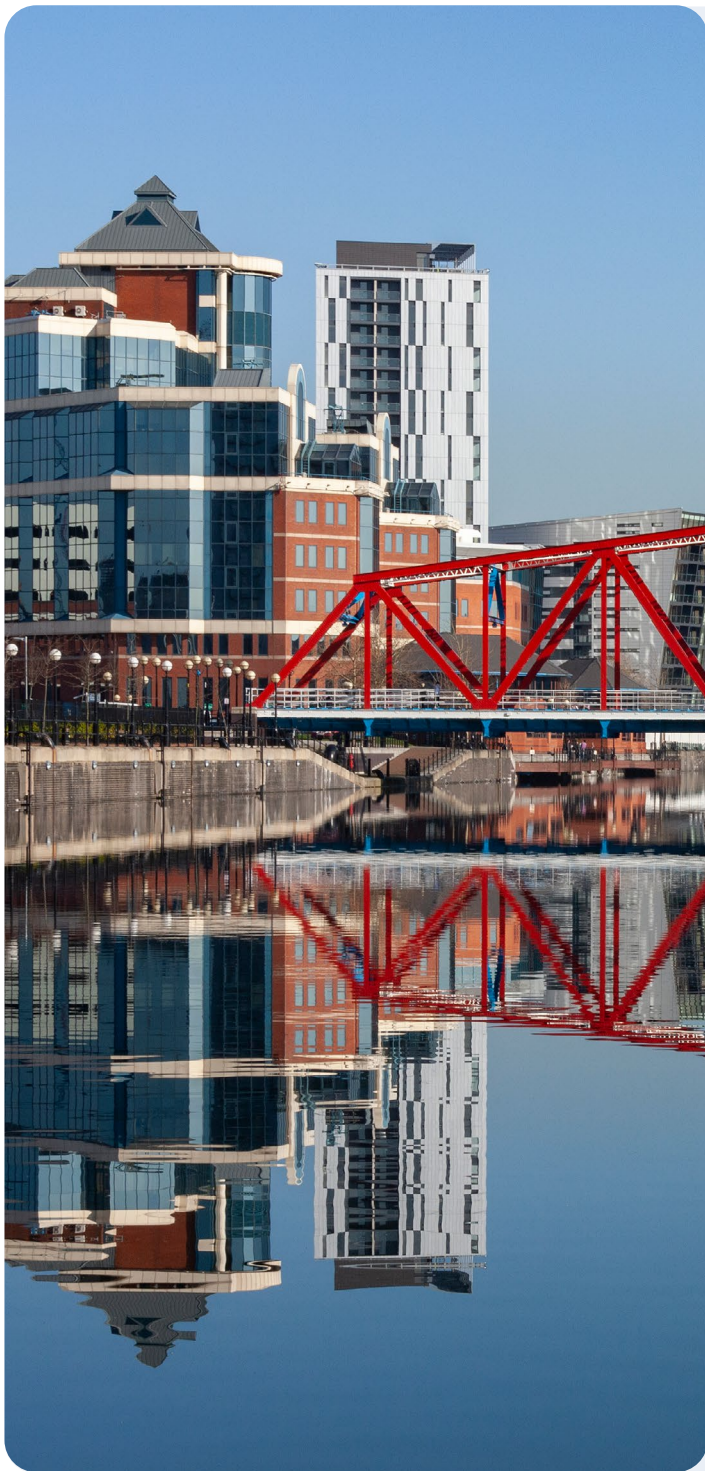
There is no question that social value is becoming central to placemaking. We're seeing a move towards developments being evaluated not just on their financial returns, but also on their broader contribution to society – whether that be improving wellbeing, advancing social equity or mobility, or building climate resilience.

This shift means having a clear understanding of who benefits from a project and how those benefits are distributed across communities. Equally, it's identifying where people may be negatively impacted and working to alleviate those issues as well.

From a developer perspective, embracing social value can unlock new forms of capital, from ESG-aligned funds to government-backed grants. But it also requires a shift in business models too. If you create a place, you create value – but that value doesn't always show up on the balance sheet in year one.

That long-term outlook is crucial. The most successful regeneration projects will increasingly be those that balance commercial viability with civic purpose. That might mean slower returns or more complex funding arrangements, but is also results in places where people genuinely want to live, work, visit, and invest in – for the long-term.





Regeneration is essential, especially because of the wide-ranging benefits it can bring. However, these projects aren't always immediately financially attractive. To unlock their potential, we may need a cultural shift – one that redefines what success looks like and what makes a project viable beyond pounds and pence. At the heart of this? Engagement.

Often, the level of detail that goes into public engagement is grossly underestimated. It's about truly understanding the needs of all groups and people in the community – not just certain ones. We need to identify accessibility issues, what kind of housing is needed, whether people want independent or high street brands, what sort of green space people want to see, and so on.

The local authority side of any partnership shows its full power here, helping development partners to carry out this engagement that informs the overall vision. Without engaging with all aspects of the local community, the insights simply aren't there to shape a design from the earliest stages that will deliver the vision.

Of course, there is always a balancing act, and compromises may need to be found. And so, engagement is equally as important here, communicating why something cannot be delivered, or why it's been adapted in a certain way.

As we look to the future, we need a positive attitude towards delivering transformation and – most importantly – a genuine shared passion for communities. It's easy to talk about "place" – but the work is ultimately, really all about people.



Pagabo's Developer-Led Framework

The Developer-Led Framework – managed by Pagabo on behalf of contracting authority Cumbria, Northumberland, Tyne & Wear NHS Trust – is a unique market offering. Its purpose is to facilitate the early engagement between developers and clients that drives the transformative development and positive social impact outcomes we have discussed throughout this report.

The framework provides access to 28 developers that have undergone robust processes to be awarded a position. This means full PCR and Procurement Act compliance to ensure quality and reliability for public sector clients – meaning that the hurdle is removed in finding and accessing the right organisations.

48 schemes have been procured through the framework at various scales since its launch. That's more than £5.6bn in schemes already awarded, and a further £7bn in the pipeline.

What do those scheme values mean? So far, it's more than 15,000 homes being built, along with thousands of square feet of commercial, retail and public space.

The place is here, **the time** **is now**

Through a unique combination of local leadership, investor confidence, creative ambition, and community commitment, it's showcasing to the rest of the country – and world – what is possible when placemaking is driven by purpose.

But if we are to seize the moment fully, we must rethink how we fund, plan, and measure success. This means going beyond the old binaries of public vs private, viable vs non-viable, and risk vs reward. Instead, we must embrace a new model of partnership – one that values long-term outcomes, supports innovation, and builds places that work for everyone in their communities.

The North West is not a region-in-waiting. It's in the process of transforming itself. It's a region with a colourful story to tell – not just of what has been, but of what it is becoming.



Thanks to our speakers on the day:

Angela Jones, director of thriving places, Westmorland and Furness Council

Andy Devaney, assistant director of investment, Liverpool City Region Combined Authority

Gemma Davies, director of economy and housing, Cheshire West and Chester Council

Hayley Owen, head of economic growth, Cheshire West and Chester Council

John Moffatt, managing director, Capital & Centric

Mark McNamee, managing director, Cityheart

Nick Gerrard, growth and prosperity programme director, Blackpool Council

Stuart Rogers, director of project management, Muse

Get in touch to discuss how Pagabo can support your North West development dreams:

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