

## Press release

### UK cannot delay action on power and infrastructure to sustain digital leadership, says techUK report

**[London, UK] 16 February 2026** – The UK must take urgent action to fix systemic issues in energy and infrastructure to sustain its ambition to lead the global digital economy and become an AI superpower, says a new report published today by techUK.

The report, *'Powering Digital Infrastructure'*, warns that while demand for data centres and compute infrastructure is accelerating rapidly, driven by AI, cloud and edge computing, the UK's energy system is struggling to keep pace. Without reform, rising electricity costs, grid connection delays and fragmented policy could force investment overseas, undermining economic growth, innovation and national resilience.

Data centres are now critical national infrastructure, underpinning everything from financial services and healthcare to research, manufacturing and public services, all while supporting the Clean Power 2030 Action Plan through Power Purchase Agreements (PPA) and decarbonised heat. [techUK's 2024 report](#) highlights that the UK data centre sector already contributes billions to the economy and supports tens of thousands of jobs, with the potential to add an additional £44 billion in Gross Value Added between 2025 and 2035 if growth accelerates.

The UK aims to triple compute capacity to around 6GW by 2030, however, this is colliding with structural constraints. Electricity prices for UK data centres are among the highest in the developed world – [roughly four times those in the United States and about 46% above the median of 31 International Energy Agency \(IEA\) countries](#) – while grid connection delays of up to eight years are becoming commonplace.

As a result, techUK's report identifies several interconnected risks for the UK if the situation remains unchanged, including loss of global competitiveness, grid bottlenecks and delays, and risks to our energy security and resilience which could be compounded by growing geopolitical shocks and tensions.

If left unaddressed, the report warns, the UK will struggle to meet its ambition of being an "AI maker", weakening sovereignty and long-term economic control.

The report sets out a clear programme of solutions to minimise these risks.

- **Reform the grid connections process** to prioritise committed, non-speculative projects; provide greater transparency over the queue; and offer phased connection agreements that reflect how data centres are actually built.

- **Reduce electricity costs for digital infrastructure** through levy reform, targeted exemptions and improved access to long-term power contracts, restoring international competitiveness.
- **Accelerate planning and delivery** by enabling nationally significant data centre projects to move faster through the planning system and clarifying eligibility for prioritisation schemes.
- **Unlock private investment in networks** by allowing the private sector to help build and finance grid infrastructure where it can reduce delays and costs.
- **Align digital growth with clean power** by supporting renewable PPAs, co-location with generation, energy storage, and – where appropriate – nuclear and small modular reactors.
- **Maximise local benefits** by embedding data centres into regional growth strategies, supporting skills development, waste-heat reuse and supply-chain expansion.

Data centres can be part of the solution, acting as anchor customers for new renewable generation, supporting grid investment, and helping spread fixed system costs across a larger base of electricity demand.

**Matthew Evans, COO and Director of Markets for techUK said:**

“Economic growth is directly linked to power and our country’s ability to digitise. If the UK is serious about unlocking economic growth, it needs to move decisively to fix energy costs, grid access and regulatory fragmentation. The results will unlock new cycles of investment and support the country’s decarbonisation efforts as well as both national and regional growth. If we don’t, the UK risks falling behind at the very moment global competition is accelerating.”

**-ENDS-**

**Notes to Editors**

The full report can be downloaded [here](#).

## About techUK

techUK is the technology trade association that brings together people, companies and organisations to realise the positive outcomes of what digital technology can achieve.

With over 1,100 members (the majority of which are SMEs) across the UK, techUK creates a network for innovation and collaboration across business, government and stakeholders to provide a better future for people, society, the economy and the planet.



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By providing expertise and insight, we support members, partners and stakeholders as they prepare the UK for what comes next in a constantly changing world.