



Data Centres

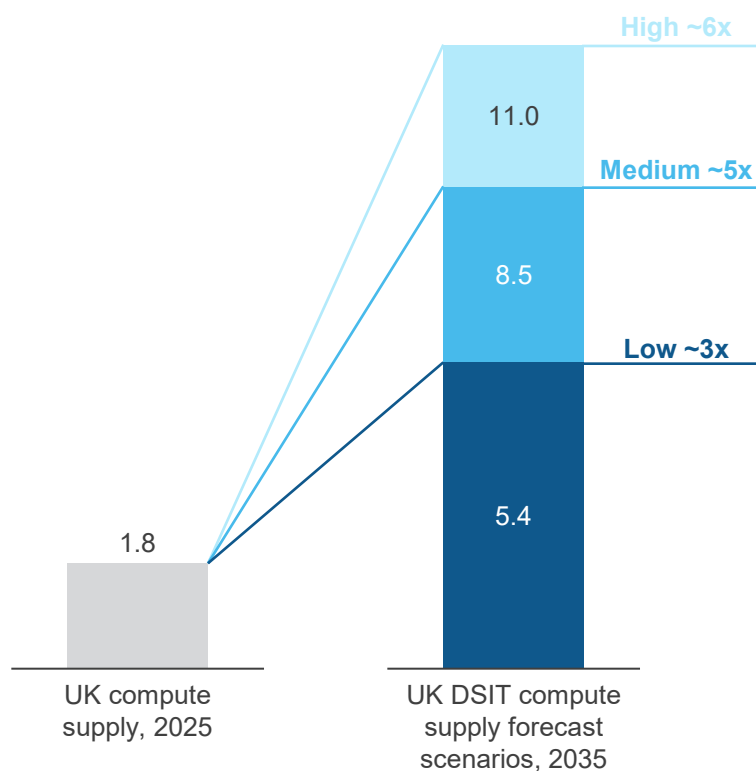
PMSI Insights

November 2025



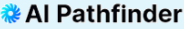
Demand for AI and traditional IT data centre capacity is forecast to drive an increase of ~3 to 6x the UK's existing data centre capacity by 2035...

Current UK compute supply vs UK Government DSIT forecast (GW)



- The UK has an estimated ~1.8GW of data centre capacity, primarily centred around London
- The UK has the largest data centre capacity in Europe, driven by the UK's excellent subsea cable connectivity with the U.S., alongside a large financial and business ecosystem that has significant demand for data processing and storage capabilities
- Going forward, sustained growth in UK data centre capacity is expected to be underpinned by accelerating demand for power intensive AI processing capabilities, driving a significant increase in data centre capacity
- Whilst there is uncertainty in the speed of AI adoption and therefore data centre build-out, the UK government's 'low' data centre capacity forecast still anticipates that compute supply will increase by 3x by 2035, with the 'high' forecast suggesting potential for ~6x growth
- This growth will continue to provide opportunities for the UK's data centre supply chain, across both data centre construction and enabling infrastructure (e.g. power and electric grid infrastructure)

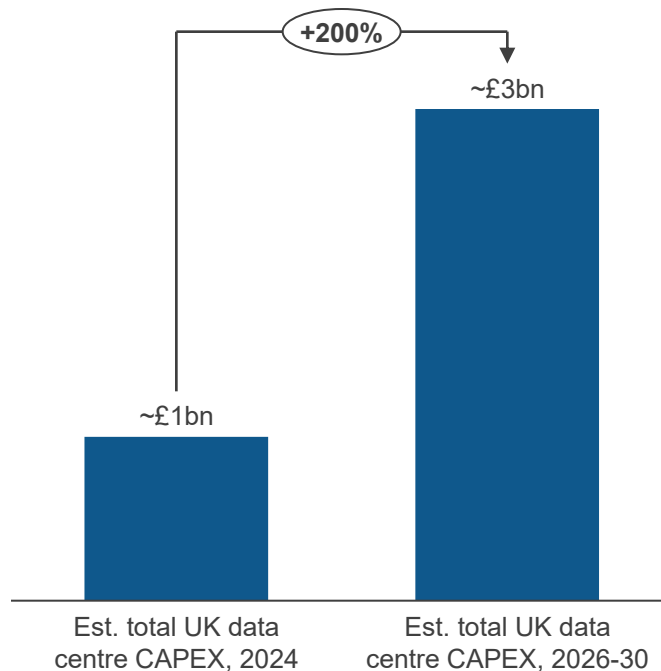
...with new supply driven by multi-billion-pound investments in hyperscale data centre projects across the UK from leading data centre developers

Select providers	Location	Year of start	Planned UK investment	Planned capacity	Type	Brief description
 VANTAGE DATA CENTERS	Wales	2026	£12bn	~800 MW	Hyperscale	Expansion of existing Newport site and new complexes in Bridgend and St Athan
 Microsoft	TBC	2025	£11bn	TBC	Hyperscale	Part of a wider £22bn UK package, focused on building cloud & AI infrastructure, including the UK's largest supercomputer
 TRITAX	East Midlands	2028	£11bn	1,000 MW	Hyperscale	Planned to be the UK's first nuclear-powered data centre campus. Partnership between Tritax, EDF and Holtec International
 Blackstone QTS	North East	2026	£10bn	720 MW	Hyperscale	Planned to be one of Europe's largest AI data centre campuses, with an additional £110m direct investment in the region
 aws	TBC	2025	£8bn	TBC	Hyperscale	Part of a wider £40bn Amazon investment in the UK, with planned data centre sites across the UK to support AI and digital infrastructure
 Elsham Tech Park	East Midlands	2027	£7.5bn	1,000 MW	Hyperscale	Focused on AI training & inference and high-volume data processing, with the area potentially designated an 'AI Growth Zone'
 EQUINIX	East of England	2027	£3.9bn	250 MW	Hyperscale	AI-focused development to support large enterprise digital infrastructure. Committed to being 100% powered by renewable energy
 AI Pathfinder	East Midlands	2025	£3.4bn	TBC	Sovereign AI	Part of AI Pathfinder's programme to deliver ~2GW of sovereign AI supercomputing capacity across the UK (planned ~£15bn investment in Scotland from 2026)

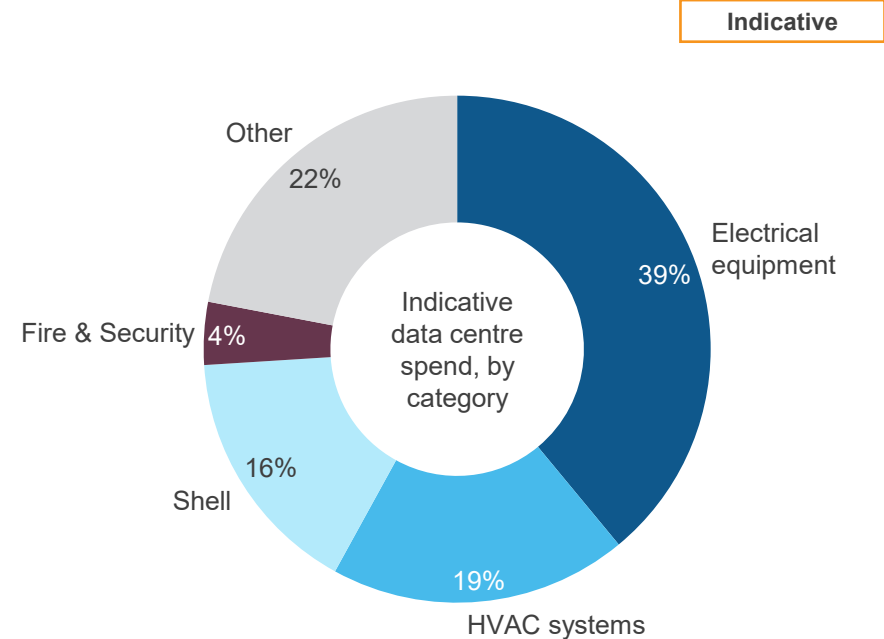
Source: PMSI research

This could result in UK data centre CAPEX increasing from ~£1bn in 2024 to an average of ~£3bn p.a. out to 2030

Est. total UK data centre CAPEX, 2024 & 2030 (£bn)⁽¹⁾



Indicative data centre spend, by category (%)



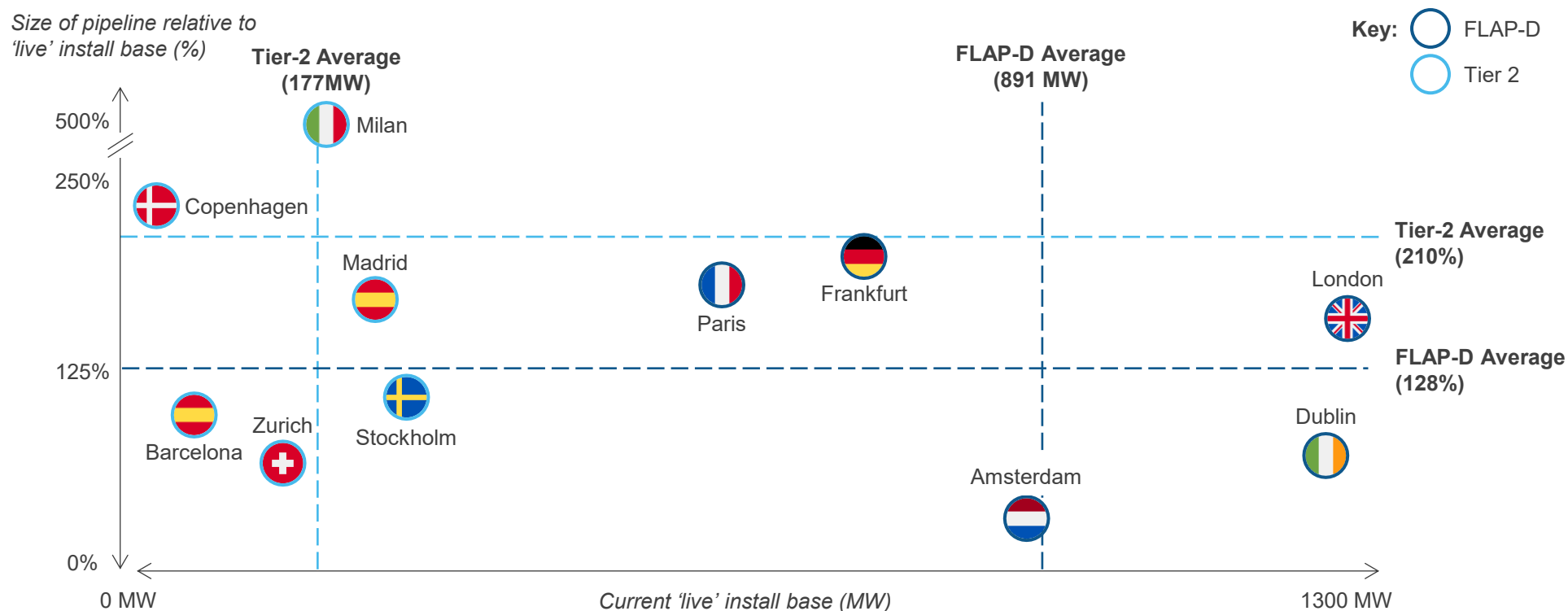
- Based on DSIT's 'medium' UK compute supply projections, PMSI has modelled estimated average annual CAPEX on data centres to be ~£3bn between 2026 and 2030, a significant increase (~3x) from 2024 levels
- This spend will drive opportunities across the data centre supply chain, with electrical equipment (e.g. switchgear, UPS systems etc.) the largest component of CAPEX spend, accounting for ~40%

Note: (1) Excludes compute, storage and networking equipment

Source: CBRE, Knight Frank, Turner & Townsend, Amazon, DSIT, PMSI research and analysis

The UK is a relatively mature market – ‘Tier-2’ markets such as the Nordics and Iberia with high availability of low-cost renewable power are increasingly attractive

European pipeline size relative to ‘live’ install base vs current ‘live’ install base (H1 2025)



- In Europe, the leading data centre markets (Frankfurt, London, Amsterdam, Paris and Dublin – ‘FLAP-D’), are increasingly facing planning and power constraints (particularly in Amsterdam and Dublin). This makes new data centre developments more challenging, opening up opportunities for ‘Tier-2’ markets
- Tier-2 markets can have key advantages over FLAP-D, including access to low-cost, renewable energy (e.g. Spain) or favourable climate (e.g. the Nordics) resulting in strong data centre construction pipelines. However despite constraints, London is forecast to remain the leading European data centre market

Our sector leads

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