

## **We call on the Government to scale up the UK's National Wealth Fund (NWF) into a world-leading national development bank capable of delivering the investment Britain needs.**

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Delivering clean, affordable energy for all, revitalising our industrial heartlands, and ensuring a just transition for workers all require sustained investment at a scale we have not seen for decades. Every part of the UK should benefit from this transition, with cheaper bills, better jobs, stronger local economies, and greater energy security. Crucially, the NWF can play a critical role in rebalancing Britain's broken economy, truly devolving investment power - which should be put in the hands of all regions of the UK - and driving the creation of high quality, unionised jobs.

The NWF is already playing an important role in delivering these ambitions. It is steering private investment to support clean energy, modern infrastructure, and regional growth - for example through its £500m partnership with the Manchester Good Growth Fund.

But public banks like the NWF can and should be doing much more. Currently, the NWF can invest up to £5.5 billion a year over the next five years. By comparison, Germany's public investment bank, KfW, lent €62 billion (£53.5 billion) to households, businesses, and municipalities in 2025 alone.

A scaled-up NWF could be transformative. For example, it could:

- ➡ **Roll-out a retrofit revolution:** The NWF could turbocharge the retrofit of homes and buildings across the country, offering affordable, long-term financing and lowering bills.
- ➡ **Give the public a bigger stake in critical infrastructure:** The NWF could take partial ownership stakes in infrastructure projects, ensuring the public has more control and shares in the financial returns.
- ➡ **Rebuild Britain's industrial heartlands:** The NWF could scale its Regional Project Accelerator, to launch a targeted investment programme to bring new green industries, skilled jobs and investment back to communities hardest hit by deindustrialisation.
- ➡ **Support a network of regional banks:** The NWF could capitalise mutual banks across the country that can channel money into communities and small businesses that provide the backbone of our regional economies.

To unlock this potential, the Government should work towards giving the NWF the independence to raise its own finance and invest over the long term, as successful public banks do across the world. Scaling up the NWF in this way would dramatically increase investment and is consistent with the Government's fiscal rules. By leveraging its balance sheet to steer private capital, the Fund can mobilise far greater investment than public spending alone.

The prize is clear: A scaled-up National Wealth Fund combines fiscal credibility with economic ambition, delivering visible investment that creates good jobs, strengthens local economies, provides clean energy, and lowers bills.

