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Lloyds and Scottish Widows back landmark £3 billion Haweswater Aqueduct refurbishment

Lloyds and Scottish Widows have announced their commitment to the Haweswater Aqueduct refurbishment programme, one of the largest water infrastructure programmes in the UK.

The circa £3 billion crucial infrastructure project, by United Utilities, is set to begin in 2026 and is the first of its kind for the UK water sector*. It will secure drinking water supplies for generations to come in Cumbria, Lancashire and Greater Manchester.

Scottish Widows has provided £100 million of lending through its annuity fund, acting as a Senior Lender. Lloyds will play a crucial role in ensuring the project's financial structure and coordination is effectively managed in its responsibilities as Account Bank, Agent Bank and Security Trustee.

The project will see six underground tunnel sections of the 70-year-old aqueduct's original 110km pipeline replaced, with most of the work happening below ground using cutting-edge tunnelling techniques.

It will also bring significant economic benefits to the region, as around 1,200 people are expected to be employed at the construction peak, with an apprentice recruitment programme to help build and secure skills for the future.

James Ranger, Head of Debt Solutions at Lloyds said: "Our support for this landmark project reflects Lloyds' commitment to securing sustainable infrastructure in the UK. We have played an integral role by providing a meaningful contribution to the financing and ensuring efficient and effective management of the banking facilities on this significant programme, which aims to make a real difference to communities across the country."

Jonathan Syson, Senior Director of Loan Investments at Scottish Widows said: "This project is a testament to the power of collaboration and innovation in addressing critical infrastructure needs. Our investment will help to secure water supplies for more than 2.5 million people for generations to come, as well as creating jobs and fostering economic growth in the region."

Ends

Notes to editors

*The transaction represents the first use of the Direct Procurement for Customers model introduced by Ofwat at the 2019 Price Review (PR19). Under the model, United Utilities will recover the costs associated with HARP from customers over the life of the contract, pursuant to an Ofwat issued Allowed Revenue Direction (ARD).

About Lloyds

Lloyds is part of [Lloyds Banking Group](#), a leading UK-based financial services group. Its purpose is Helping Britain Prosper, and it does this by creating a more sustainable and inclusive future for people and businesses, shaping finance as a force for good. This includes helping people access affordable, quality and sustainable homes. Social housing is an integral part of the UK's housing landscape with millions of people benefiting from stable and genuinely affordable homes. The Group is proud to have championed social housing for decades. Since 2018, this includes supporting more than £20 billion of funding to the sector, working with more than 300 housing associations of all sizes across the UK.

About Scottish Widows

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Founded in 1815, Scottish Widows is part of Lloyds Banking Group, the UK's largest digital bank and financial services group. With more than £232bn assets under administration and more than 6 million customers, Scottish Widows' award-winning product range includes workplace and individual pensions, annuities, life cover, critical illness and income protection, as well as savings and investment products. More than 2 million customers access Scottish Widows products and services through the Lloyds Bank and Scottish Widows apps, in addition to accessing directly through independent financial advisers. The Scottish Widows Platform is trusted by more than 18,000 advisers and 5,400 advice firms, which manage the pensions and investments of almost 166,000 clients.

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