Growth Spotlight

Built Environment

The built environment plays a critical role in shaping the UK's infrastructure and development landscape. At LDC, we have a strong track record of partnering with consultancies, and service, technology, and data companies supporting the planning, design and management of buildings and infrastructure.

We see strong growth potential driven by increasing regulatory complexity, the transition to net zero, and the growing role of technology in improving efficiency and scalability in a fragmented market. There is further opportunity for M&A to drive geographic expansion and growth. As part of Lloyds Banking Group, which has a broad commitment to the built environment, LDC can support built environment businesses with their next phase of growth.

In the last decade:

30 business services investments

£671m invested in business services companies

129% average revenue growth for exited business services companies

Investing in the Built Environment

LDC has a strong track record partnering with built environment services businesses and supporting management teams to scale. Building on this success, we have a clear appetite to invest further in high-quality businesses across the sub sector.

FRANKHAM GROUP

LDC backed the management team of Frankham Group in early 2026. One of the UK's leading multidisciplinary consultancies for the built environment, the business employs around 250 people and has doubled turnover over the past five years. With LDC's support, Frankham is accelerating its 2030 growth strategy, targeting geographic expansion beyond London and the South East. The business has recently expanded to other parts of the country – including a new office in Birmingham.

BCIS®

Following a transformational partnership with LDC, BCIS established itself as a leading independent construction data and cost benchmarking platform. LDC backed the management team in a 2022 carve-out from the Royal Institution of Chartered Surveyors (RICS), supporting investment in technology and product innovation. In May 2026, LDC exited its investment after four years in which BCIS expanded through acquisition, launched an AI-enabled platform, achieved recurring revenue growth of over 25% per annum, more than doubled EBITDA and increased headcount from 30 to over 80 people.

HSLCompliance

HSL Compliance (HSL) is a leading UK environmental testing, inspection, certification and compliance (TICC) company. During an initial six-year partnership with LDC, the Herefordshire-based business quadrupled pro-forma revenues to £77m and doubled headcount to 650 employees. With LDC's support and follow-on funding, HSL delivered a successful M&A programme and completed 11 bolt-on acquisitions, significantly increasing the breadth of its UK coverage and client base. LDC exited its initial investment in HSL to IK Partners in January 2025, reinvesting for a minority stake to support the continued growth of the business.

stonbury

LDC invested in UK water and sustainability specialist Stonbury in 2022 to continue to grow the Bedfordshire-based business through organic growth and acquisitions. Stonbury works with most of the UK's water companies to deliver low-carbon solutions. During our partnership, Stonbury acquired Panton Macleod to strengthen its position in the water and environment sectors, and demonstrated measurable progress towards net zero, by reducing carbon emissions by an average of 25 tonnes per month and office energy consumption by 10%.

> **The business' partnership with LDC has been transformational. LDC backed an ambitious vision under independent ownership, investing in people and infrastructure, enabling us to build out our sales and product capabilities, and crucially, supporting us to unlock new revenue streams."**
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> **Richard Linstead, CEO, BCIS**

Private Equity & The Built Environment: Four Growth Themes

1. Regulation & Complexity

Increasing regulation across building safety, planning and sustainability - including frameworks such as the Building Safety Act 2022, Future Homes and Building Standards and amendments to Parts L, F and O of the Building Regulations – is creating a more complex operating environment for developers. This is driving demand for specialist advisory, compliance and technical expertise, positioning built environment services businesses as critical partners. For investors, this underpins resilient, high-value revenue streams and opportunities to scale.

2. Talent & Capability

People are a critical driver of growth across the built environment. As projects become more complex and specialised, demand for high-quality talent is increasing. Businesses that can attract, retain and develop skilled teams – including through structured training and development programmes or talent academies – are better positioned to scale, differentiate their offering, and deliver consistent, strong outcomes for clients, supported by investment in leadership and organisational capability.

3. Technology & Scale

Technology and AI are enabling built environment services businesses to move beyond traditional, people-led models, drive meaningful productivity gains, and scale effectively. In a fragmented market, with many established businesses approaching succession, technology can support consolidation and more consistent delivery. By aggregating data, standardising processes and automating routine tasks, businesses can focus more on higher-value, strategic work. With private equity backing, management teams can accelerate investment in these capabilities and build more scalable platforms.

4. Sustainability & ESG

Sustainability and ESG are central to decision-making across the built environment, driven by regulation, investor expectations and the transition to net zero. This is creating new opportunities for advisory and technical services, as businesses support clients to meet sustainability targets. With private equity backing, businesses can invest in capability and scale sustainability-led services.

A Non-Executive Director's Viewpoint: Partnerships are key

"If we want to foster economic growth across the UK, we need to build a thriving ecosystem where every sector is supporting another. A private equity partner can bring a transformative mix of capital and expertise to help businesses deliver on their ambition. It's essential to be around the table with people that you genuinely respect. The best private equity partnerships should be just that: a partnership. I think that encapsulates LDC's approach – they work with management teams and ask great questions."

Sarah McMath, Non-Executive Director, Stonbury

A CEO's Viewpoint: Private Equity Accelerates Growth

"When our Chairman decided to retire, we had to go through a thought-process of what would drive the growth to create a sustainable future. LDC really bought into our strategy, backing us to expand our manufacturing facilities and expand through acquisition, accelerate our growth strategy, invest in talent and infrastructure, and make headway on our sustainability goals."

Ash Malhan, Group CEO, IDSL Group

A Commitment to the Built Environment

LDC is part of Lloyds Banking Group, which has made a commitment to invest in the built environment across the UK.

LLOYDS LIVING

Lloyds Living works in partnership with property developers and house builders to fund the development of new homes. This will help to increase the supply of new rental and shared ownership homes across the UK.

HGP

HGP (Housing Growth Partnership) is the Lloyds Banking Group and Homes England-backed equity investor focused on the UK Living sector. Since 2016, HGP has partnered with 87 developers across 161 schemes, committing to 12,500 homes.

ldc.co.uk/builtenvironment