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Twenty Steps to Better Collaboration: Bridging Project Organisations and Local Authorities in Major Infrastructure Projects

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Summary

This report addresses a significant managerial and knowledge gap at the intersection of project management and public administration, specifically regarding the complex relationships between project delivery organisations and local authorities during the planning and execution of major infrastructure projects. Despite the growing emphasis on measuring a project organisation's success by its ability to secure stakeholder consent through participatory decision-making, the challenges of these often-mandated collaborations between project delivery organisations and local governments have been overlooked.

These relationships are crucial because infrastructure projects often struggle to gain community support, and local authorities face challenges in balancing development goals with public concerns. When mismanaged, these relationships can result in distrust, prolonged consent processes, and project delays. Instead of fostering a shared purpose, tensions often arise, emphasising the need for a structured approach to coordination and engagement.

In this report, we focus on these business-government collaborations by examining their symptoms (what does not work), diagnosis (why it does not work), and recommended treatments (how they can be made to work). In doing so, the study draws a roadmap by identifying three key areas of intervention: (1) collaborative governance (addressing power and accountability); (2) capacity building under time-constrained conditions (addressing knowledge and resource constraints); and (3) stakeholder engagement (addressing trust issues).

These insights are based on a three-year in-depth qualitative analysis of two Nationally Significant Infrastructure Projects (NSIPs) in the UK. Researchers conducted 74 interviews, direct observations, a workshop, and document analysis, offering a comprehensive view of project delivery challenges. We then propose a 20-step roadmap to enhance collaboration between project organisations and local authorities, ensuring more efficient planning, decision-making, and implementation of major infrastructure projects.

Ultimately, we aim to encourage greater participation from both businesses and the government in these discussions, thereby transforming planning and execution of major infrastructure projects for the benefit of investors and society.

Keywords: *UK infrastructure, project organisations, local authorities, collaboration*.






Contents

Key Insight – The Twenty-Step Roadmap

Focused on the intersection of project management and public administration, this research offers insights into the governance structures, capacity under time-constrained conditions, and trust-building measures that shape the relationship between local authorities and project delivery organisations in the context of infrastructure development.

In doing so, this report proposes a roadmap of 20 actionable steps to help improve the delivery of major infrastructure projects, and highlights key implications at the policy, project governance, and stakeholder engagement levels.

This report calls for strong leadership from both private and public sectors to create the necessary conditions for these interventions to succeed.

Continued overleaf.

A

Governance and Accountability

1. **Community Legacy** – Define the project's long-term community benefits to establish a lasting local legacy.
2. **Transparent Leadership** – Develop a transparent governance structure with clear leadership for effective decision-making.
3. **Defined Roles** – Clarify stakeholder roles and responsibilities to prevent confusion.
4. **Accountability Mechanisms** – Assign accountability and review mechanisms to retain institutional knowledge and memory.
5. **Strategic Oversight** – Establish High-Level Forums for strategic oversight and coordination.
6. **Adaptive Decision-Making** – Ensure decision-making flexibility to adapt to evolving community and project needs.
7. **Independent Monitoring** – Implement independent monitoring and reporting frameworks to enhance transparency and trust.

B

Local Authority Collaboration and Capacity Building

8. **Community Landscape** – Understand differing local needs and priorities (political, social, economic, cultural)
9. **Realistic Commitments** – Set realistic commitments based on early engagement to maintain credibility.
10. **Pre-DCO Support** – Provide pre-Development Consent Order training and resources to strengthen local authority expertise.
11. **Capacity Building** – Foster innovation and strengthen capacity by recognizing local authorities' diversities and pressure points.
12. **Project Management** – Develop project management and planning skills within local authorities.
13. **Standardised Processes** – Improve standardisation and coordination through integrated teams for greater efficiency.
14. **Knowledge Sharing** – Establish Inter-Borough and Project- Local Authority Forums for knowledge-sharing.
15. **Expertise Retention** – Ensure knowledge retention and continuity to mitigate disruptions from staff turnover.

C

Community and Stakeholder Engagement

16. **Early Engagement** – Prioritise early and sustained engagement to build a clear narrative, vision and trust.
17. **Local Confidence** – Boost local confidence through apprenticeships and community investments programs for stronger public support.
18. **Inclusive & Consistent Engagement** – Implement inclusive and consistent engagement strategies to represent diverse voices.
19. **Gap bridging** – Form community liaison groups led by local hires and establish help desks.
20. **Continuous Improvement** – Regularly refine engagement approaches based on stakeholder feedback.

Background

Project Organisations and Local Authorities in Major Infrastructure Projects

THE ENGLISH REGULATORY LANDSCAPE AND NSIPS

The English regulatory process for the approval of nationally significant infrastructure projects (NSIPs) is regulated under the Planning Act 2008, require 'development consent' from the relevant Secretary of State. The Development Consent Order (DCO) system is the process through which local communities are consulted, and development receives consent, ensuring that infrastructure is delivered in ways that contribute to Government ambitions for levelling up while enhancing and protecting the environment. However, the increasing number of projects seeking consent, their complexity, and the need for greater focus and speed present challenges for all involved in effective consenting. In fact, many NSIPs are underperforming in the consenting process during the planning stage and are not progressing at the desired pace in granting permits during construction. The average approval time for major infrastructure projects over the past decade has increased by 65% [1], and while there is a lack of data quantifying the costs associated with delays in obtaining consents or local permits, inefficiency in the planning consent process is a major cause of delays that can elevate costs without improving outcomes [2].

In an operational review of the NSIP regime in February 2023, the UK Government proposed an action plan to accelerate the consenting process. The review highlighted challenges related to the time required to obtain consents for an NSIP, referencing the recent Prime Minister's announcement to 'clear paths to get Britain building' [3]. However, while most of the focus has been on making the planning system quicker, less attention has been paid to understanding the local conditions necessary for such interventions to function within the complex dynamics of public and private actors operating at the local delivery level of NSIPs.

Introduced in 2011, the Localism Act set out measures intended to transfer power from central government to local authorities. However, it burdened local authorities with increased responsibilities when they lacked the capacity to manage divergent expectations involved in balancing community interests with developers' aims. On the other hand, project organisations struggle to manage trade-offs between national needs and local impacts, exposing them to legal challenges that can result in delays, even if those challenges are ultimately unsuccessful. This imbalance can lead to mutual distrust, complicating the planning and execution of NSIPs if the relationships between project delivery organisations and local authorities are not well managed.

NAVIGATING THE COMPLEXITIES OF BUSINESS-GOVERNMENT COLLABORATIONS IN MAJOR PROJECTS – AN ACADEMIC VIEW

Interorganisational projects are cross-sector collaborations between organisations from at least two different societal sectors (i.e., private businesses, public governments, and nonprofit organisations) that work together to achieve a common goal. These collaborations bring together a temporary group of diverse actors, each with their own backgrounds and objectives, which continually influence the overarching goals and outcomes of the project [4]. Meeting their expectations and reconciling their needs is therefore a central concern of project management practices [5][6].

A recent systematic review [7] shows that the relationships between business and government have been predominantly discussed through traditional forms of cross-sector relationships such as public-private-partnership (PPPs). However, while there is plenty of literature on various forms of interorganisational relationships like PPP, scant attention has been paid to the interactions between local authorities and project-based organisations in

large-scale construction and infrastructure projects. While, in theory, there should be a shared purpose, even a practical, mandated collaboration can lead to tensions and conflicts [8]. There is a knowledge gap here that is particularly crucial as project-based capital investments often face challenges in obtaining approval from the communities where they operate [9].

A case in point is the A428 road improvement scheme in England, which was delayed by a full year despite a legal challenge against it being found to have no merit. This delay added £24 million in inflationary costs alone and resulted in no changes to the scheme's design [10]. This issue is common in developed countries and is not confined to the UK. An international example is the Silver Lane project in Dallas/Ft. Worth, Texas, where the CEO of the regional agency sponsoring the project publicly criticized the City of Dallas for causing a permit delay that resulted in an additional $42 million in costs [11].

Local authorities worldwide are increasingly empowered by national governments in the approval, management, and oversight of such developments [12]. During the pre-application and consultation stage, project organisations depend on local authorities to obtain the necessary consents for development. Upon DCO approval, the project organisation gains the authority to execute the work, but the local authority retains the power to grant consent for its implementation. As a result, local authorities have not only become increasingly responsible for discharging many of the requirements (akin to planning conditions) associated with NSIPs, but they are also tasked with monitoring and enforcing various provisions and requirements of DCOs [12]. Therefore, even if development consent is granted, and developers (e.g., project organisations, contractors) have the authority and national government support to proceed, local authorities in the UK still maintain significant control. Indeed, they have the discretion to become a blocker or a backer of NSIPs in their jurisdiction, effectively influencing project execution.

Theoretical and empirical evidence suggests that local authorities play a crucial role in urbanization and the achievement of common goals through cross-sector collaboration in major projects [13]. However, if these collaborations are not properly nurtured, the disengagement of local authorities may hinder the long-term impact and legacy of such developments [14]. When given adequate resources in terms of finance, administration, technology, and political support, local authorities have the capacity to mobilize resources, and community involvement crucial for implementing urban development and infrastructure plans [15]. Furthermore, local authorities can guarantee the representation of local perspectives in both national and regional development plans, thereby playing a constructive role in harmonizing urban lifestyles and accommodating cultural and social values in the face of rapid social transformations [16].

Therefore, when local authorities become involved in the development process and acquire legitimacy rights over the project, the "dilemma" of determining the optimal organisational governance structure and collaborative mechanisms at the local level of project-based delivery becomes a challenge. To emphasize the challenge of engaging various public and private stakeholders, addressing their expectations, and fostering an inclusive decision-making process, recent empirical research has started to see the low performance of major projects in a more constructive way. This change links the issue to the way authority is shared in governance, emphasizing the need to find mutually agreed solutions with 'non-market' groups like local communities [17][18]. In this context, costly renegotiations and rework have been identified as key causes of project delays and cost overruns [19], raising questions about the appropriate engagement level, governance structure, decision-making mechanisms, and the degree of autonomy that project organisations and local authorities should possess, along with related control mechanisms.

Research Aim

In light of the above, this report aims to answer the following question: "*How can project organisations and local authorities strengthen their collaboration to enhance the planning and execution of major projects?*".

DATA COLLECTION AND ANALYSIS[1]

Developed over three years of study, our research compares experiences in the UK, identifying context-specific challenges and solutions in two different but equally significant NSIPs: HS2 and the Thames Tideway Tunnel. While these projects have important differences (e.g., type, sponsor, consent process, geographic coverage), they also provide a valuable setting for comparing the dynamic interplay between project developers and local authorities impacted by such large-scale undertakings, which must collaborate to achieve a unique, agreed-upon goal. The multi-method qualitative study comprises a range of data collection techniques such as semi-structured interviews, archival data, direct observations and half-day knowledge co-creation workshop. Data analysis included a historical reconstruction of key events, an examination of the interactions between business and governmental actors, and an analysis of the mechanisms aimed at overcoming the identified patterns of tension at the local delivery level of NSIPs. Our findings, validated through the triangulation of multiple data collection methods, reveal what does not work (symptoms), why it does not work (diagnosis), and how these often-tense collaborations can succeed (treatments).

FINDINGS

Reflecting upon the UK Government's vision for faster planning processes and consents, the findings of our research highlight that project organisations often face difficulties in gaining community support and approval, and that local authorities are often not well-equipped to deal with the impact of major infrastructure projects. Providing consents to project organisations with the rights to execute temporary work – possibly against the will of residents living in the proximity of the infrastructure development or the will of elected local councillors - is likely to create conflicts exacerbating tensions between business and government actors, leading to intense debates and costly (re)negotiations.

Our findings advance knowledge on the planning and delivery of NSIPs by identifying patterns of tension between local governments and project-delivery organisations affected and involved in such developments. Drawing on current practices of public-private coexistence in such projects, as well as the feelings and beliefs of participants, our findings suggest that the symptoms, diagnosis, and recommended treatment for what may become a challenging collaboration should be examined within three distinct yet interconnected areas:

- Collaborative governance (issues of power and accountability)
- Capacity building under time-constrained conditions (issues of knowledge and resources)
- Stakeholder engagement (issues of trust)

[1] Refer to Appendix A for a more detailed explanation of the research methodology.

Image: The HS2 railway route under construction / ©Cloud9Cinematic Akira Summers / iStockphoto.com

Symptoms

What does not work in business/government collaborations

1. COLLABORATIVE GOVERNANCE – THE ISSUE OF POWER AND ACCOUNTABILITY

Issues of poor project performance and mistrust between civil society, public, and private entities challenge the establishment of effective governance structures.

With more functions and responsibilities being transferred at the local delivery level of NSIPs, it becomes imperative to reengage citizens and authorities in the local governance process. This entails fostering an appreciation for the value of public services and comprehending the need to strike a balance between service demands and revenue generation [20]. In pursuit of this, project organisations should adopt a strategic and systematic approach to fulfil organisational purposes and goals. This involves fostering proactive involvement and aligning the interests of a broader range of stakeholders [21]. Therefore, project organisations should purposefully engage with local authorities by fostering collaborative governance structures in order to enhance the benefits realisation and value creation of major infrastructure projects, without compromising their goal of meeting pre-defined targets.

This mode of governance involves bringing together multiple stakeholders in shared forums with public agencies to participate in consensus-oriented decision-making processes [22]. However, while collaborative governance allows actors to manage, coordinate, and allocate resources for the collaboration as a whole and to oversee its activities, it also introduces a multitude of challenges and tensions among stakeholders.

When analysing the data, our findings reveal patterns of tension pointing to both *power* and *accountability* as important challenges for effective local governance of major infrastructure projects. Tensions often emerge when entrenched within hierarchical project governance structures that reflect the unequal distribution of *power* among stakeholders in society.

Power imbalances among partnering entities, serving as a catalyst for self-oriented negotiations and individual interests, pose a challenge to the efficacy of business-government collaboration in major infrastructure projects [23]. These imbalances gain prominence, particularly when collaborators struggle to align on a common objective. As such, understanding and managing the shared sources of power, as well as the impact of power imbalances and power sharing on trust-building, are crucial dynamics that must be carefully addressed in NSIPs.

Therefore, in an attempt to comply with normative pressures and growing societal expectations, the implementation of non-hierarchical structures and inclusive decision-making processes may not be perceived as legitimate by corporate individuals who are more accustomed to traditional command-and-control bureaucracy and are primarily accountable for ‘getting the job done’. On the other hand, local authorities feel accountable for their decisions and approvals, which ultimately impact their local area for years to come. The results show that while democratically accountable collaborations involve transparent, open decision-making processes that are responsive to approving authorities, stakeholders, and citizens, accountability remains a particularly complex issue for business-government collaborations on projects. This is because it is often unclear who the joint effort is accountable to and for what, given that multiple stakeholders may have competing expectations and desired outcomes. As such, NSIPs may face multi-relational accountability challenges if these collaborations are not effectively governed, potentially hindering their ability to achieve their purpose.

Image overleaf: London tideway project near Blackfriars bridge drone aerial view / ©Steve Bateman / iStockphoto.com

2. CAPACITY BUILDING UNDER TIME-CONSTRAINED CONDITIONS – THE ISSUE OF KNOWLEDGE AND RESOURCES

While NSIPs often focus on the short-term, time-constrained delivery of projects, there is an emerging recognition that their broader societal benefits must extend beyond their temporal durations [14]. Hence, a critical tension arises between the pressures of delivering a project on time and effectively, and the need for long-term, sustainable outcomes that deliver enduring value to society. This tension underscores the challenge of managing temporary organisations (project organisations aiming to delivery major infrastructure projects) versus permanent organisations (local authorities and community stakeholders that endure well after the project's completion).

Furthermore, the unanticipated impacts of NSIPs at the local community level present an additional layer of complexity. Infrastructure projects often have profound effects on local actors. These impacts range from disruption of daily life to the displacement of communities, creating an environment of tension and opposition [24]. As such, understanding and predicting resource requirements for these projects becomes crucial. The ability to anticipate not only the immediate financial resources required for project delivery but also the ongoing social and environmental capacity needed to address long-term effects is often lacking. This can lead to a mismatch between people's expectations of the project and actual outcomes, creating conflict and delays.

The resource challenge becomes even more pressing in light of the financial difficulties faced by local authorities, particularly in the UK. Local councils have experienced significant budget cuts in recent years, driven by a combination of inflation, rising demand for services, and escalating energy costs. These financial pressures have had a significant impact on local councils' ability to cope with current cost and demand pressures, hampered further by the years of funding reductions in the 2010s. In 2024, according to the Local Government Association (LGA) [25], local authorities made £24.5 billion worth of cuts or efficiencies to their net service spending from 2010/11 to 2022/23, relying on their financial reserves at an unprecedented rate. The LGA has also highlighted how councils' cost pressures are growing faster than income, through an analysis of modelled costs pressure additional spend - 2026/27 compared to 2024/25 is shown for planning and development (6.2%), highways and transport (5.6%), and environmental and regulatory services (4.6%). According to the National Audit Office (2021) [26], total spending power for local authorities fell by 26%

between 2010/11 and 2020/21. Spending power funded by the government fell in real terms by more than 50% on a like-for-like basis between 2010/11 and 2020/21. These financial constraints severely limit the capacity of local authorities to engage in the effective planning, management, and delivery of both existing services and new infrastructure projects. Consequently, local authorities often face a difficult balancing act, attempting to allocate limited resources to attend to the urgent needs of their communities while managing the growing demands of infrastructure projects.

While local authorities are generally not equipped to handle local disruptions or the additional work required to approve and consent to project activities, project organisations do recognize the importance of enhancing local authorities' capacity to manage these challenges. In order to overcome public resource shortages and address the knowledge gap that often persists within local governments [13], project delivery organisations are increasingly supporting local authorities by providing skilled personnel to assist with planning activities related to infrastructure projects. By deploying experienced professionals, project organisations provide local authorities with the expertise needed to navigate complex planning processes, manage community relations and complaints, and ensure that projects align with the broader social goals of the community. In some cases, these skilled personnel (e.g., planners) serve as the unique point of contact between the infrastructure project organisations and local authorities, facilitating clear communication and accountability. This role becomes especially crucial in maintaining alignment, managing expectations, and ensuring smooth collaboration and continuity throughout the planning and execution phases of the projects. However, while this helps bridge the gap between the technical requirements of projects and the capacity limitations faced by local authorities, these resources are primarily deployed to expedite the consent process rather than with a genuine intention to transfer knowledge. Ideally, integrated teams should work in synergy to facilitate knowledge co-creation [27].

To sum up, in light of these pressures, local authorities and project delivery organisations must navigate these complex resources and knowledge constraints while ensuring that the broader social objectives of NSIPs (e.g., sustainable outcomes for long-term community benefits) are not sidelined. Effective collaboration and clear communication are essential to address these challenges and to ensure that projects not only meet their immediate goals but also contribute to sustainable, positive outcomes for the communities they serve.

3. STAKEHOLDER ENGAGEMENT – THE ISSUE OF TRUST

Over time, both policymakers and academics have been urged to broaden the conventional emphasis on project benefits to encompass a broader array of stakeholders [28]. This is largely driven by the understanding that a business's social license to operate is intrinsically linked to its commitment to social sustainability. As a result, there is growing acknowledgment that the success of NSIPs cannot solely be measured by conventional project performance metrics of time, cost, and quality. Instead, the true purpose of NSIPs is becoming increasingly shaped by societal approval, which is more complex and subjective than the rationalistic tools used to track quantitative outcomes. This redefined value realization goes beyond traditional, pre-determined targets to consider the longer-term impact of projects on the community and the environment [29].

The new area of study at the intersection between stakeholder governance and joint value creation indicates a strong need for considering how stakeholders are engaged in the cooperative structures of the project organisation and its enabling mechanisms. There is increasing evidence that value creation through legitimate stakeholders, such as local communities, requires more advanced practices of inclusion so that a broader range of knowledge and interests are incorporated into the project decision-making process [30].

However, questions emerge regarding the reconciliation of increasing societal pressure, which often leads to an inflated project scope, impacting both the timeline and budget of NSIPs. Therefore, to make capital investments more responsive to the

social and environmental concerns while addressing the tendency of managers to focus on project control, effective stakeholder engagement strategies should be implemented [29]. While the central organisation is obliged to seek input from all parties impacted by its actions, organisational behaviour is often not driven by the benefits that the organization can deliver to its broad range of stakeholders but rather by the benefits it can receive from them. As a result, local voices in the decision-making process can easily be overlooked or considered too late, especially in complex social systems such as NSIPs [30].

The often-unchallenged assumptions about maximizing shareholder wealth or value since they are the main priority of the focal organisation rather than optimizing collective value among the broader network of stakeholders lead us to consider the issue of *trust*. Local opposition is not uncommon in NSIPs. In an attempt to increase their legitimacy in such developments, local communities can have adverse effects on project outcomes and, consequently, lack of trust in major infrastructure projects. Collaborative endeavours frequently emphasize the significance of trusting relationships [31], yet local authorities often start from a skeptical position, having little trust in project organisations attempting to build in what they see as 'their' environment [32]. Trust encompasses interpersonal interactions, confidence in partners' competence, expectations of organisational performance, a shared connection, and a spirit of goodwill. Unfortunately, these elements are often lacking in NSPIs, as organisations tend to implement late and primarily reactive engagement strategies, which are only partially effective overtime [30].

Image: The HS2 railway route under construction.
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"There is increasing evidence that value creation through legitimate stakeholders, such as local communities, requires more advanced practices of inclusion so that a broader range of knowledge and interests are incorporated into the project decision-making process."

Diagnosis

Why business/government collaborations don't work

Underpinning these three interconnected areas and related issues are several identified root causes that explain not only why we see these issues in the business-government collaborations of NSIPs but also confirm why things may not change without strategic intervention.

The diagnosis which follows emerges from an in-depth comparative case study of Tideway and HS2 in the UK, where the root causes were investigated throughout the NSIP life cycle. The study highlights major patterns of tension (Figure 1) between the project organisation and local authorities at different stages, leading to increased time and costs for the scheme.

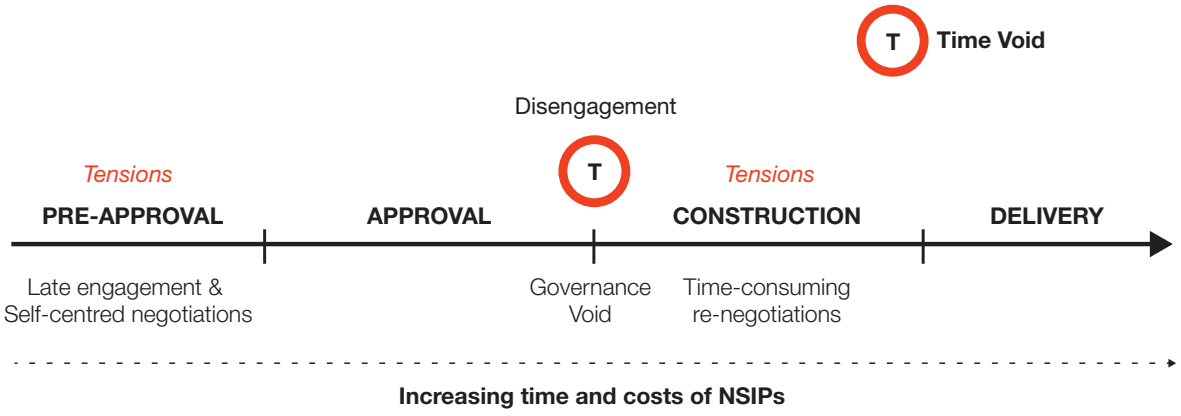

Figure 1: Patterns of tension between project organisations and local authorities

IN THE PRE-APPROVAL STAGE, THE FOLLOWING ROOT CAUSES ARE IDENTIFIED:

The consent process differs between projects, e.g. DCO (e.g., Tideway) or Hybrid Bill (e.g., HS2). While local authorities retain power throughout the entire project lifecycle – having the ability to approve, modify, or refuse the detailed design – the pre-approval phase provides the greatest opportunity to influence the overall scheme. The method of project consent plays a crucial role in building trust and fostering collaboration between business and government actors. The DCO process is considered more democratic, as it allows local authorities to feel valued and engaged. In contrast, the Hybrid Bill, enacted through an Act of Parliament, is often perceived as something "*imposed*", giving local authorities little voice in the process. While both the DCO and Hybrid Bill can be classified as "*Planning Regimes*" in which local authorities retain a defined statutory role in approving or rejecting design decisions, the Hybrid Bill mode of consenting has been found counterproductive during the construction stage, as project organizations often struggle to gain local authorities' support in a process from which they were initially excluded.

Political interference:
NSIPs are politically driven. Equally, some local authorities are more challenging and politically motivated than others. Support cannot be shown if a political campaign was based on opposition.

Unclear legislation and procedures:
It is difficult to be precise, and the legislation appears to be not clear and specific enough, leaving spaces for interpretations and misunderstandings in which "*there's a lot of rabbit holes we get lost in*" (Local Authority). This situation inevitably accounts for accountability issues, which is exacerbated through lack of consistent and robust system, processes, and procedures.

Late and mainly reactive/instrumental engagement:
Not providing to local authorities the information they need. Not much time is spent in educating/explaining the impact of the project and how local authorities could get the most out of it for their communities, this will also not help them politically.

Time and governance voids:
The time void between project approval and construction opens up to 'governance voids' leading to disengagement, lack of continuity, and time-consuming re-negotiations. The procurement of NSIPs can take many months, and yet local needs and expectations might change over time, as can political interests and priorities. As a result, integration management and the transition from approval to construction become challenging, e.g. new teams and expertise are onboarded, but lack the necessary continuity from the previous stage.

Lack of Project Management Integration:
Effective consent management requires integrating project management principles into all aspects of the major consent application process. However, these capabilities do not fit naturally within either the planning or construction stages and must be developed ad hoc for the project. At the project's pre-approval stage, these capabilities and resources are often not in place, leading to a lack of integration and coordination, misunderstandings of roles and responsibilities, and prolonged consent timeframes.

Image: Underground tunnel construction stock image. ©PixHouse / iStockphoto.com

IN THE CONSTRUCTION STAGE, THE FOLLOWING ROOT CAUSES ARE IDENTIFIED:

In attempting to navigate the various pressures brought by NSIPs at the political, community, and project levels, most local authorities (particularly in rural areas) are generally ill-equipped and lack the capacity to manage the impact of major infrastructure projects. Such challenges are represented in Figure 2.

Root causes in terms of resources:

Lack of resources:
Local authorities are resource-constrained despite their growing responsibilities. Although some local authorities are better resourced than others, they do not have the capacity to cope with the pressure and impact that a NSIP has at the local community level.

Instrumental use of resources:
To facilitate the local delivery of NSIP, project organisations instrumentally inject resources into local authorities through integrated teams. A specific point of contact is created, with the aim of increasing accountability and accelerating the consent process. However, these resources might not be effective because teams that are embedded in public or private sector logics tend to perceive issues in distinct ways, driven by varying motivations, and employing diverse approaches.

Root causes in terms of knowledge:

Limited knowledge sharing:
Based on the temporality of the collaboration, project organisations are not effectively transferring knowledge to local authorities. Although forums, meetings and workshops are organised, these are mainly used as reporting tools. The main way local authorities learn about the project is by sharing information and knowledge among themselves.

Staff recruitment and retention:
Both project organizations and local authorities face continuity and consistency issues. Personnel and contractors change within project organisations, experienced planning officers and project managers are scarce in local authorities, and temporary roles (especially in local authorities) are not seen as attractive because they are unable to match industry salaries.

Root causes in terms of time and temporality:

Time/urgency mismatch:
Immersed in different permanent and temporary organisational structures that shape their daily work, both project organisations and local authorities operate with their own ‘time and temporal values’ and differing priorities regarding urgency. Local authorities can afford to wait for the best outcome for their community, whereas project developers face time pressures, prioritizing speed of response above all. These differences can lead to conflicts and feelings of frustration.

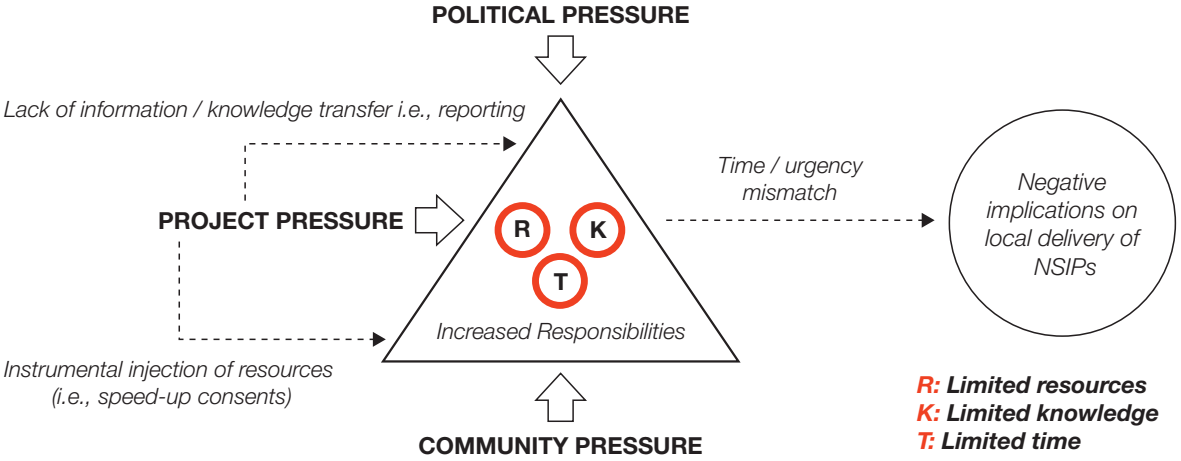

Figure 2: Local authorities’ challenges

Recommended treatments

How business/government collaborations can work

A. GOVERNANCE & ACCOUNTABILITY

Business-government collaborations should be accountable in terms of understanding and allocating risks, costs and benefits, political and social impacts, expertise, and performance measurement. Collaborative governance must take into account democratic, market, and administrative frameworks, each imposing distinct sets of accountabilities to various individuals or organisations, featuring varying strengths of accountability relationships, and adhering to a range of explicit and implicit standards [33].

Therefore, NSIPs accountability might not always be straightforward, and the success of collaborative governance is enhanced when they incorporate an accountability system that monitors inputs, processes, and outcomes [23].

The recommended treatments are as follows:

A1. Community Legacy – Define the project's long-term community benefits to establish a lasting local legacy.

A2. Transparent Leadership – Develop a transparent governance structure with clear leadership for effective decision-making that balances risks and rewards between local authorities and the project organisation.

A3. Defined Roles – Clarify stakeholder roles and responsibilities to prevent confusion.

A4. Accountability Mechanisms – Assign accountability and review mechanisms to retain institutional knowledge and memory.

A5. Strategic Oversight – Establish High-Level Forums for strategic oversight and coordination, including elected members, the client, the sponsor, and project directors.

A6. Adaptive Decision-Making – Ensure decision-making flexibility to adapt to evolving community and project needs.

A7. Independent Monitoring – Implement independent monitoring and reporting frameworks to enhance transparency and trust. Funded by the project proponent, these frameworks provide financial, environmental, and social oversight to regulatory authorities and government departments.

B. LOCAL AUTHORITY COLLABORATION & CAPACITY BUILDING

Although local authorities have the power to influence project development as legitimate stakeholders (toward whom projects have a statutory duty), they are also responsible for safeguarding the needs and expectations of various local community groups. To fully capitalize on the potential benefits that NSIPs can generate, local authorities must be positioned to work more effectively in the processes of urbanization and local development [13].

However, this is rarely the case. Local authorities must build internal capacity to manage the impacts of NSIPs by acquiring the necessary resources and developing the skills needed to operate under time-pressured conditions. Various converging pressures (political, community-driven, and project-related) intensify the challenges they face in granting project consent. As a result, they are often understandably perceived as "blockers" who delay projects or initiate litigation, ultimately driving up costs and extending deadlines.

In sum, the success of NSIPs heavily depends on creating the right conditions for all partners to contribute effectively through adequate resources, skills, and knowledge-sharing processes.

The recommended treatments are as follows:

B8. Community Landscape – Understand differing local needs and priorities including political, social, and cultural factors. Achieve a consensus on what the community wants, clearly define 'value' and 'local,' and consider the longevity and legacy of the project.

B9. Realistic Commitments – Set realistic commitments based on early engagement to maintain credibility. Commitments made during the consenting stage often become unrealistic, unavailable, or expensive during the construction phase.

B10. Pre-DCO Support – Provide pre-DCO training and resources to strengthen local authority expertise and support during application process.

B11. Capacity Building – Foster innovation and strengthen capacity by recognizing the diversity, capabilities and pressure points of each local authority, as these differences necessitate a tailored approach.

B12. Project Management – Develop project management and planning skills within local authorities.

B13. Standardised Processes – Improve standardisation and coordination within and between multiple local authorities through integrated teams for greater efficiency and mutual understanding, particularly during the pre-application process.

B14. Knowledge Sharing – Establish Inter-Borough Forums that include local authorities that are or have been affected by NSIPs, and Project-Local Authority Forums that include local authorities, regulators and project representatives.

B15. Expertise Retention – Ensure knowledge retention and continuity to mitigate disruptions from staff turnover. Mitigate discontinuity - long term view vs. political cycle by appointing a dedicated point of contact accountable for the project and supported by the project.

C. COMMUNITY & STAKEHOLDER ENGAGEMENT

As public expectations increasingly encourage organisations to engage with other sectors, business and government actors often perceive shared issues in distinct ways. These differences are driven by varying motivations and approaches [8]. Within NSIPs, a key challenge arises due to the temporary nature of a group of stakeholders brought together by such major developments. Each stakeholder has unique expectations that continuously shape project outcomes [4]. Reconciling these diverse needs through purposeful ongoing engagement is therefore crucial to ensuring that projects create value [6].

To achieve this, trust among stakeholders must be established from the early stages of project development. Trust encompasses interpersonal interactions, confidence in an organisation's competence and performance, and a shared sense of goodwill [34]. Business-government collaborations often begin with differing levels of trust (e.g., [35]), making continuous trust-building activities—such as fostering mutual understanding (essential for the success of NSIPs). In this context, collaborative partners must actively cultivate trust by sharing resources (such as information) and demonstrating competence, positive intentions, and a commitment to follow through [36].

The recommended treatments are as follows:

C16. Early Engagement – Prioritise early and sustained engagement to build a clear narrative, vision and trust. Invest in relationships - show up, participate, and seek to understand. Provide a clear vision and narrative, ensuring communities feel valued throughout the journey by maintaining continuity, availability, and frequent engagement. In doing so, recognise the lived experiences of residents, which may differ from formally calculated impacts.

C17. Local Confidence – Boost local confidence through apprenticeships and community investments programs for stronger public support. Offer targeted apprenticeships and community investment programs, ensuring accessibility and boosting local confidence by upskilling residents and strengthening the local labour market.

C18. Inclusive & Consistent Engagement – Implement inclusive and consistent engagement strategies to represent diverse voices. Ensure consistency in communication (messages) and the engagement process (actions) throughout the project lifecycle by monitoring and controlling contractors' engagement processes, commitments, and actions. Apply tailored and inclusive approaches to stakeholder engagement that consider the diversity of community members (e.g., disadvantaged groups) by providing innovative and interactive experiences using new technology, design thinking, and participatory methods that encourage active involvement.

C19. Gap bridging – Form community liaison groups led by local hires and establish help desks. Enhance stakeholder engagement skills within local communities, as transparent and honest engagement is more effective when led by individuals hired from within the affected communities. Local representation fosters a stronger sense of belonging and accelerates trust-building.

C20. Continuous Improvement – Regularly refine engagement approaches based on stakeholder feedback. Communities evolve, politicians change, and organisations must continually review and adapt their engagement strategies to remain effective.

"To achieve this, trust among stakeholders must be established from the early stages of project development. Trust encompasses interpersonal interactions, confidence in an organisation's competence and performance, and a shared sense of goodwill."

Image: Construction in progress of the new bridge over the Firth of Forth, between Fife and the Lothians.
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Conclusions

Major infrastructure projects are highly visible outcomes of public and private collaborations. However, these complex, often mandated, collaborations between project delivery organisations and local governments have been under-researched until now.

Through a comparison of two major UK projects and drawing on multi-method qualitative research, this report has identified three key areas of intervention to foster effective business-government interactions: (1) collaborative governance; (2) capacity building under time-constrained conditions; and (3) stakeholder engagement.

This report proposes a roadmap consisting of 20 actionable steps to help improve the delivery of major infrastructure projects. We also call for strong leadership from both private and public sectors to create the necessary conditions for these projects to succeed.

We hope this report will encourage greater participation from both business and government actors in these discussions, with the ultimate goal of positively transforming the planning and execution of NSIPs.

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Appendix A – Methodology

Our investigation uses a longitudinal and comparative case study design [37][38]. Two UK NSIPs were selected for analysis, namely the Thames Tideway Tunnel and the High-speed railway (HS2).

THAMES TIDEWAY TUNNEL

With an updated cost of £4.5bn, the Tideway project is a 25 km combined super sewer running mostly under the tidal section of the river Thames in London.

Built across 14 boroughs, Tideway began switching on the first of the sites in autumn 2024, and work to bring the system into full operation has seen all connections completed by February 2025. The project aims to capture, store, and convey almost all the raw sewage and rainwater that currently overflows into the estuary.

By visioning the project under the slogan "Reconnecting London with the River Thames", Tideway is being considered a very successful case by the general public in distributing value to a broader range of stakeholders.

HIGH SPEED 2, RAILWAY LINE

High Speed 2 (HS2) is a planned high-speed railway line in England being built as a long-term strategic asset for the UK, laying the foundations of the future rail network. It is the biggest rail investment ever made in the North of England and is Europe's largest infrastructure project which will provide more reliable, and faster, journeys between London and Birmingham. The majority of the deep tunnel drives and earthworks needed for the 140-mile high-speed railway were completed by early 2025. Major civil engineering works are underway with £29 billion contracted into the supply chain and over 350 active sites along the route, supporting over 31,000 jobs.

While HS2 will provide England with many benefits, the project continues to face financial challenges and delays, with projected costs far exceeding initial estimates.

Furthermore, some of the affected local authorities have fought long and hard against the project and continue to oppose it nearly 10 years after Royal Assent was granted in 2017.

DATA COLLECTION

The data collection process entailed a broad range of sources including 74 interviews (Table 1). The researchers also attended inter-borough forum meetings, community liaison meetings, and conducted site visits. Triangulation across multiple data sources provided more accurate information and improved the robustness of the findings.

SOURCES	DETAILS
TIDEWAY PROJECT	
Semi-structured interviews	**n.30:** including CEO, general managers, senior project managers, and team managers working for the Contractors and the Councils. **n.9:** follow-up interviews with CEO, senior managers and team managers working for the contractors and the councils.
Document	**n.1276 pages:** Publicly available data and internal reports, including media outlets and national/international newspapers, community engagement reports, engagement summary reports, community assurances reports, annual reports, local impact reports, House of Lords select committee reports, environmental impact assessment.
Site visit	**n.1:** Tideway's Earl Pumping Station consultation meeting with Tideway stakeholder engagement team and Lewisham Council (two hours). **n.2:** Tideway's Abbey Mills Pumping Station site visits with Tideway stakeholder engagement team (half-day visit).
Direct Observations	**n.8:** Thames Tideway Tunnel Forums Meetings (attended by local authority representatives, senior managers of Tideway and other statutory and non-statutory stakeholders) of an average of 25 participants for each meeting (total of 16 hours over two years period).
HIGH-SPEED RAILWAY (HS2)	
Semi-structured interviews	**n.25:** including senior managers, project managers, stakeholder managers from HS2, boroughs, and contractors.
Document	**n.924 pages:** Publicly available data and internal reports, including media outlets and national/international newspapers, community engagement reports, engagement summary reports, community assurances reports, annual reports, local impact reports, House of Lords select committee reports, environmental impact assessment.
Site visit	**n.1** HS2 Phase One Planning Forum Meeting (attended by local authority representatives and senior managers of HS2).
INDUSTRY EXPERTS	
Semi-structured interviews	**n.10:** including engagement and communication experts (in highways), independent chairs of planning forum.
Knowledge Co-creation Workshop	**n.1:** Half-day workshop with local authorities' representatives, Tideway and HS2 managers and industry experts of public-private collaborations including 16 participants.

DATA ANALYSIS

Data analysis included a historical reconstruction of key events, an analysis of the interactions between business and governmental actors, and the mechanisms aiming to identify, understand, and address these often-tense collaborations. The research question (*How can project organizations and local authorities strengthen their collaboration to enhance the planning and execution of major projects?*) guided the prioritization of the analytical process. More precisely, data analysis was carried out in the broad steps summarized below.

Step 1:
Data analysis from already published documents to gain an overview of entire projects, establish the chronological sequence, and develop a comprehensive understanding of business and government interactions throughout the consenting, planning, and execution stages. This analysis was then extended to other parts of the dataset, including direct observations, interviews, and field notes.

Step 2:
Focused on a thematic analysis of the semi-structured interviews and field notes from informal conversations and direct observations. This step resulted in a list of concepts, which provided a description of the project organizations' and local authorities' activities based on the language used by the participants. Following multiple re-readings of the data, categories were gradually identified and grouped into themes to illustrate the interactions between business and government, the emergence of tensions, their counterproductive effects, and the ways in which these tensions were mitigated.

Step 3:
The knowledge co-creation workshop identified what characterized the relationships between project organizations and local authorities, their benefits or, on the other hand, their challenges. Thus, the process and outcomes of these business-government interactions were identified. This workshop served as a forum for extending and validating the research findings and for stakeholders to ideate and refine practical solutions for improved collaborative practices in future projects. Discrepancies were solved through discussion and occasional reinterpretation.

Image: Aerial view of bridge supports at a major road construction project in Wales (Heads of the Valley, Merthyr)
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