Public-Private Partnerships & The Private Finance Initiative

Available as an in-house course

Course Overview:

This course will provide participants with a thorough understanding of the key aspects of PPP/PFI transactions and will also provide guidance on the practical application of those aspects from the perspective of all parties involved in those transactions including: Sponsors, Financiers, Accountants, Solicitors and those employed in the various Public Sector organisations involved in PPP/PFI transaction (e.g. Health Care, Local Authorities and other governmental departments).

The topics and materials are illustrated by two real-life case studies which examine the critical aspects of these types of transactions which have been devised in conjunction with parties involved in these transactions.

Participants will be required to bring a laptop to the course.

Background to PPP

- History and development
- Current position, future trends and developments
- Rationale and objectives of PPP
- Benefits and drawbacks of using PPP

Case Study: Nottingham Trent University

The three basic structures in PPP/PFI projects

- BOT (Built Operate Transfer)
- BOOT (Build Own Operate Transfer)
- DFBO (Design Build Finance Operate)
- DCMF (Design Construct Manage and Finance)
- BLT (Built Lease Transfer)
- BOO (Build Own Operate)
- Leasing

Case Study: Scottish PP Projects

Overview of Risk and Risk Allocation

- Risk evaluation and types of risk
- Allocation and mitigation of risk

Case Study: IT for Magistrates' Courts

Key Issues in PPP/PFI

- Achieving design quality
- Appointing and managing advisers
- Appointing and working with preferred bidders
- Public sector comparators (use, selection, construction and application)
- Managing long-term delivery of PFI

Case Study: The UK experience with Jarvis

- Sources and types of Funding
- Potential financiers
- Types of funding: terms and tenors (senior debt, bonds, junior debt, equity)

Case Study: HM Treasury Small Project Funding

Refinancing

Case Study: Norwich Hospitals NAO Study

The Credit Enhancement

- The role of monocline insurance and wraps
- Guarantees and other forms of credit enhancement

Case Study: European Toll Road Funding