

Innovative financial solutions in PFI and PPP

Knowledge, experience and expertise...

DWPF's in-depth experience in PFI/PPP means that they have the knowledge to advise on current developments and to anticipate the needs of future ones. Over the past nine years, they have advised on projects in the education, health, defence, transport and waste sectors, university student accommodation and utilities.

David Wylde said: "We see the PFI/PPP market expanding into academic accommodation for the higher education sector and more general property particularly for local government. We also see continued development of the important secondary market.

"We have already advised on equity disposals and acquisitions, but we expect many other projects to follow suit and release their assets and borrowings. This will improve the market liquidity.

"This secondary market also increases long-term confidence. It proves that PFI/PPP can price, manage and share risk to maximise benefit and minimise cost to the public sector."

Another trend that DWPF expect to continue is the increasing numbers of projects that will be restructured and refinanced to generate more efficient financing structures with lower borrowing rates, reflecting lower risk for lenders. They are the leading refinancing advisers, having completed 18 deals with around £450m of funding so far and working on further transactions with a funding requirement in excess of £300m.

DWPF have also been involved in the power and utility sectors structuring

and arranging project finance. The 135km gas pipeline from Scotland to Northern Ireland (SNIP) is an example of this type of project. This deal was structured to create £41m of savings in charges to consumers in Northern Ireland through the acquisition and efficient financing of the pipeline, which enabled the ongoing operation and maintenance to continue.

David Wylde added: "This project extended our experience gained from our involvement with the Moyle Electricity Interconnector that closed in 2003, but used the financing techniques gained in other sectors and in particular developed for refinancing PFI/PPP projects."

DWPF work closely with their clients' project teams and relevant third parties to ensure that Financial Close is on time and on budget.

Their strength comes from the team's depth of knowledge and experience, and expertise in financial modelling, accountancy, law, banking and asset finance, with individual backgrounds spread across the commercial, financial and banking worlds.

They offer the full spectrum of financial advice, including the:

- Creation of the financing structure;
- Design and building of financial models;
- Securing and negotiating of the funding package;
- Liaising with equity investors and financiers from beginning to Financial Close; and
- Transaction management services.



Cork School of Music, Eire

Example Project

DWPF acted as financial adviser to the successful private sector bidder Hochtief, the largest contractor in Germany, who have recently entered the PPP market in Ireland and the UK.

Costing €73m, the 10,500m² state-of-the-art building will provide an auditorium for 500 people, a recording studio and library with reading rooms, and will accommodate 3,300 students.



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