

Partnerships Awards 2021

Winner Review



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Welcome

It is with immense pleasure that we host this year's Partnerships Awards back in person.

As we all get back to some sort of normality after two years of disruption, now is a good time to pause and reflect on the immense achievements of the infrastructure community in continuing to get things done and deliver projects despite the ongoing challenges that Covid-19 has brought.

Perhaps it should come as no surprise that the PPP market, based on the principles of collaboration and innovation, has risen to the unique challenges that have been faced over the past two years, and in this Awards ceremony we shine the spotlight firmly on those who have gone above and beyond to deliver services despite the obstacles in their way.

You may notice that this year's list of awards is slightly longer than usual. This is because we wanted to make sure that those who had won last year's awards – which had to be cancelled at the last minute - were properly recognised for their achievements.

Despite rising inflation affecting markets around the world - now exacerbated by the war in Ukraine – infrastructure remains a priority for governments, as they look to 'build back better'. That is a phrase on the lips of many in America but also being taken up as a rallying cry across the world as governments look to bring together two of the biggest challenges facing the world today: economic growth in the wake of the pandemic; and tackling climate change.

Critical to both challenges is the state of the globe's infrastructure. Governments have spent trillions trying to prop up tier economies as lockdowns have taken their toll, but there remains a wall of capital looking for a safe home. Infrastructure is the great meeting point for these two needs and as the winners of our Awards demonstrate, bringing together public and private sectors to deliver projects can result in a scheme that is more than the sum of its parts.

As we look to 2022, the lessons learned over these past few years will stand us all in good stead to deliver the infrastructure of the future. And by highlighting areas of outstanding practice, tonight's Awards provide an opportunity for governments around the world to witness what the PPP approach can offer as they seek to rebuild their economies.

Finally, I would like to thank our sponsors. It is their commitment to these Awards that enables us to bring you the best in PPP year after year.

Paul Jarvis, Editor

Healthcare Project of the Year

Little Hulton Health Centre

This project, which opened in November 2020, is a state-of-the-art, enhanced primary care and community services clinical space. The £5.9m project was progressed by Castle Gate Projects, which introduced the shared ownership ZCap model, a new method of delivery in the GP property space. The GP Federation (GPF) and joint venture partner, Greater Manchester Pension Fund (GMPF), developed the health centre via an SPV without requirements for NHS capital funding or GP personal funding guarantees. The building's head lease arrangement allows the GPF full operational control, any future property returns and the flexibility to sub-let to other health partners without additional approvals. Funding from GMPF secured long-term, index-linked income to match its pension obligations and the re-investment of funds generated by local pension holders in local community facilities, creating significant social innovation in primary care property partnerships. Risks were reduced by the early selection and integration of the build contractor into the design process, reducing shared contingencies. Impressive collaboration restricted Covid-related delays to six weeks with additional costs shared between the construction partner and funder.

The judges complimented the viability, value for money and affordability of the model.

Highly Commended

Queen's NHS Hospital Emergency Department Expansion Project

The judges considered this to be a great example of the change/variation procedure being used on a long-established PPP project to address additional demands placed on the facilities by the pandemic. They were impressed by the excellent partnership working between the parties within a tight timescale.



Social Infrastructure Project of the Year

The Welsh Education Partnership Company

The Welsh Education Partnership Company (WEPCo) is an innovative model facilitating the delivery of £1.5bn of additional revenue investment in educational facilities in Wales, utilising the Mutual Investment Model (MIM). A joint venture between the Welsh government (through the Development Bank of Wales) and Meridiam, it is the first strategic partnership arrangement to be procured for a whole country, with 26 signatories to the strategic partnership agreement. Over 10 years, each successful MIM education infrastructure project will be funded by Meridiam and the development bank. All project establishment milestones were achieved despite Covid, with an online bootcamp dialogue process leading to the contract signing in September 2020 and fast progression to work on the first two pathfinder projects. With a target of Net Zero carbon emissions in construction, WEPCo is also the first partnership to use BIM on a pipeline of PPP projects during the operational phase to allow the adoption of best practice principles and innovation across the whole lifecycle of the assets, and has implemented independent quality assurance roles to ensure a high standard of buildings.

The judges prized the speedy remote collaboration between multiple parties in a new model.

Highly Commended

Inverurie Community Campus

The judges were impressed with this project's pioneering, collaborative procurement methodology, and praised the way in which the partners had worked together through the pandemic, demonstrating a collaborative approach to mitigating the impact of the delays being caused and reducing costs and losses.



Transport Project of the Year

Greater Manchester Electric Vehicle Charging

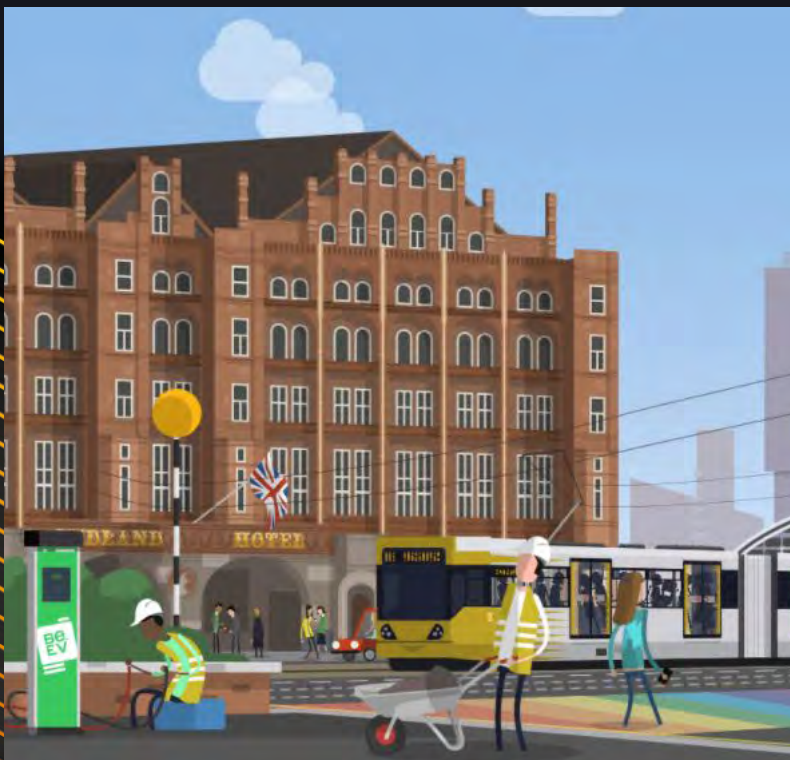
Contracted in April 2021 by Transport for Greater Manchester and Iduna Infrastructure (in partnership with Amey Highways, Swarco and Octopus Energy), this project involves 10 local authorities and will see the expansion and ongoing operation of an EV charging infrastructure network across the Greater Manchester area. Designed to facilitate the engagement of both institutional and smaller investors seeking direct investment into an ESG-targeted project, it aims to encourage drivers to switch to EVs as part of the region's sustainability-focused 2040 Transport Strategy. It comprises an innovative, seven-year dual delivery approach of both publicly and privately owned and funded infrastructure for faster implementation with funding from the issue of debentures to investors through the ethical investment crowdfunding platform, Abundance Investment. This is the first such raising of this nature at such scale. The partnership and financing models make the project a trailblazer for future projects in this space.

The judges praised the project for developing a project finance model suitable for the new market of EV charging.

Highly Commended

A465 Sections 5&6 MIM Project

The judges praised this project for providing strong examples of groundbreaking features and indications of exemplary partnership working, not only in achieving financial close during the pandemic but also due to its complex funding and joint venture set of arrangements. They welcomed the strong testimonials that were provided from the government client.





Utilities Project of the Year

Met Office Supercomputing 2020+

Supercomputing 2020+ is a £1.2bn, 'first-of-kind' project which secures the Met Office's supercomputer capacity requirements, delivered as a fully integrated, cloud-based, Infrastructure as a Service solution until 2037. In April 2021, the Met Office and Microsoft contracted to build the world's most powerful weather and climate forecasting supercomputer at 18x current performance by 2027 to meet worldwide demand for the organisation's climate change expertise. This is the first time the Met Office has outsourced procurement to a private sector partner thereby transferring risk and control. It has demanded solutions to major challenges leading to many more firsts, including developing an innovative mid-term refresh mechanism to overcome a fast-changing technical environment, establishing a bespoke procurement strategy to mitigate market failure risk, enabling higher bidder numbers to facilitate more competitive pricing, embedding social value and ESG, and overcoming security issues for government cloud contracts. The speedy procurement process was undertaken and completed against the backdrop of Covid using flexible collaborative working practices.

The judges were impressed by the successful combination of IT and PPP in a new and complex market.



Supercomputing 2020+
Delivering our future supercomputing capability



Organisation/Team of the Year

WSP

WSP, a leading engineering consulting firm providing technical and strategic advisory services, uses its multi-faceted expertise to promote PPP. The team was appointed as technical advisor to support public sector clients in the Infrastructure & Projects Authority (IPA) handback process. This is an area in which it has significant experience, developing the Asset Data Toolset infratech solution capable of processing large amounts of data intelligently in project handback scenarios and having been commissioned by Highways England to develop and implement the process for effective and efficient handback of the first eight DBFO highways contracts between 2026 and 2027. The team showed its adaptability with the speedy reconfiguration of clinical wards and patient flows to enhance safety in the emergency department in Covid response works at the Darent Valley PFI Hospital. It also demonstrated social values with various ESG initiatives supporting staff, such as WSP TV, and key workers, by providing nutritional grab bags for hospital employees.



The judges found the passion behind WSP's service delivery and its true partnership spirit compelling.

Highly Commended

Bevan Brittan

This firm was considered to have gone well above and beyond 'business as usual' in its support of clients during the pandemic. The judges welcomed the range of examples provided to demonstrate how the firm had stepped up.

Vercity

Vercity was praised by the judges for having excelled in difficult circumstances. They highlighted the firm's strong range of capabilities, good multi-tasking approach, and high level of transactions managed.

Individual of the Year

Michele Connolly

Michele is Head of KPMG Corporate Finance in Ireland and provides financial and commercial advice to government bodies and private sector entities on issues including strategic advice, procurement, value for money, fundraising, M&A and debt-related matters in fundraising and public procurement. During the pandemic she dealt directly with senior members of government advising on the role that infrastructure could play in Ireland's further development post pandemic and provided expert advice on a number of mega projects including Metrolink, Busconnects, the National Broadband Plan and the New Children's Hospital. She successfully led the acquisition of Future Analytics and was key in the establishment of Sustainable Futures, a dedicated team of experts helping clients create environmental, social and governance (ESG) programmes and long-term value. In 2020, Michele became KPMG Global Infrastructure's head of EMA and has been a leading force behind the firm's mentorship programme for women in infrastructure. She is also a long-term, non-executive director and Honorary Treasurer at the National Maternity Hospital, assisting it to develop a new state of the art maternity facility.

The judges commended Michele's mentorship, strategic expertise and leadership of KPMG's pandemic response.





Individual of the Year

Geoffrey Jackson

Geoff is a founding director and CEO of Equitix, now credited with £7bn of infrastructure investment. During 2020, Geoff continued to lead the company's growth, establishing offices across Europe to expand investment and asset management opportunities and seeking market leading investor returns. The firm increased headcount and funds both raised and deployed, and moved into new sectors like smart meters and hydro-electricity. Geoff is trustee of the Equitix Foundation, established in 2020 to support charities connected to the communities that Equitix serves. He led the Foundation's partnership with Uptree, to offer Equitix work experience and crucial exposure to those who wouldn't otherwise have access. Geoff also set up the Equitix Diversity & Inclusion Committee to ensure the organisation promotes a diverse and inclusive culture. Darryl Murphy, MD and Head of Infrastructure, Aviva Investors said: "Geoff as CEO has made a significant impact to the UK [infrastructure investment] market, through the development of PPP assets, renewables and more widely economic infrastructure." Jason Radford, Global Co-Head of Corporate, Ashurst, added: "He has helped to push boundaries both internally and externally."

The judges recognised Geoff's outstanding contribution to the industry.



Judges' Choice Award

TBC's Schools Infrastructure Programme – Wave 1, Saudi Arabia

The project involves the design, build, finance, maintain and transfer of 60 schools located in Jeddah and Mecca. It was tendered by the Tatweer Building Company (TBC) in 2019. The project agreement was based on UK schools precedent but included risk allocation provisions reflective of the successful Saudi Arabian IWPP programme. The initial RFP draft of the project agreement included some challenging risk allocation provisions, including the scope of change in law protection, which although accepted on UK precedent was not reflective of the Saudi Arabian PPP market. One key bankability issue was the fact that termination payment does not guarantee coverage of full senior debt liabilities. This was novel for the Saudi PPP market, and required working closely with both lenders and the procurer to give lenders comfort on this issue.

This project was singled out for special consideration by the judges due to its potential significant impact on the schools market in Saudi Arabia and across the wider region. The flexibility to consider the best allocation of risk, while basing it on a pre-existing model to help encourage international investors, was seen as a potential model for the future development of novel projects in different parts of the world.



Judges' Choice Award

Dhaka Bypass, Bangladesh

A keystone transport project of the Government of Bangladesh's Roads and Highways Department, this scheme will enable freight traffic from the industrial centres north of Dhaka to connect to major intercity highways south of Dhaka without having to go through the city. By enabling heavy goods traffic to bypass Dhaka, the project will not only improve urban air quality and the urban environment, but also help facilitate trade and business opportunities. It is the first road PPP to be implemented under the country's PPP Law. The scheme has many firsts to its credit, including being the first road PPP project under Bangladesh's PPP Law to achieve financial close with a blend of US dollar and Bangladeshi Taka long-term funding sources, with the support of the Asian Development Bank, which provided an integrated solution for the government.

The judges felt this project deserved to receive special recognition for the transformative impact it will have on the region's transport infrastructure. They also acknowledged this scheme's important role as a pathfinder scheme that can be used by the Asian Development Bank and others in the region to develop new transport projects.





Lifetime Achievement Award

Dr Sue O'Connell

Dr Sue O'Connell retired this year as chief executive of Community Health Partnerships after 15 years leading the agency in charge of the UK government's LIFT programme that has developed a series of community health facilities in some of the most deprived parts of England. LIFT this year celebrated its 20th anniversary, making it one of the longest continuous public sector asset initiatives in the UK and its longevity has been in no small part down to O'Connell's navigation of the programme through the agency in charge of it. During her tenure, O'Connell has piloted CHP through governments of all colours, constantly demonstrating and proving the case for private sector partnership working in community health settings. During the Covid-19 pandemic, she helped the organisation pivot quickly to support centres across the country, as they moved to take some of the strain from acute hospitals. Since then, many centres have taken on the vital work of providing vaccination services, further embedding them as critical parts of the health system.

