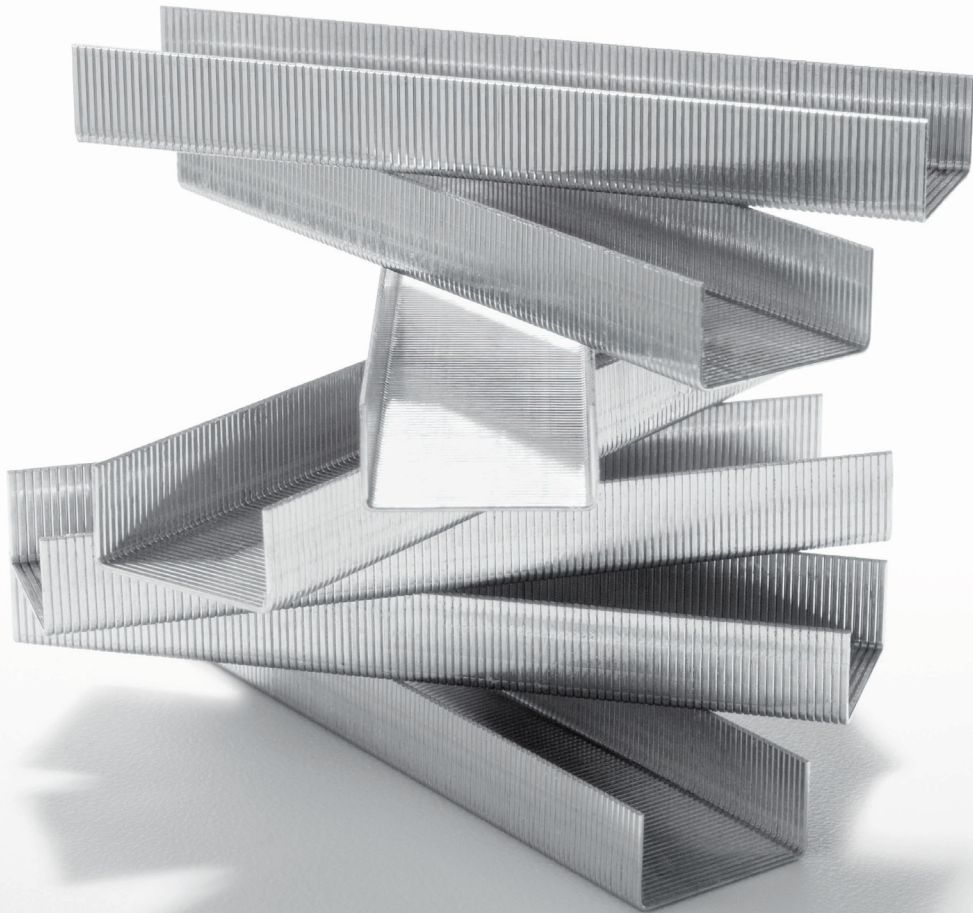


# *Support for operational projects*

Capability Statement



## Lawyers with a long-term view...

Since the establishment of the Private Finance Initiative (PFI) and Public Private Partnerships (PPPs) in the early 1990s, around 900 projects, with a combined capital value of £60 billion, have reached financial close in the UK. Over 700 projects are now in the operational phase and many have been delivering the service element of the project for a number of years.

It is during the operational phase that the main purpose of the project is taking place; the underlying assets are complete, are being used to deliver services to the public sector, and are generating returns to the private sector investors.

Most projects are working well and delivering significant benefits to public authorities and those using the services. However, the contracts behind the PFI and PPP projects cannot just be put in a drawer and forgotten; careful and close support and management will be required over the course of the typical 25 to 30 years of operation.

Project participants will face a range of unanticipated challenges throughout the duration of the project. Any commercial business would expect to face similar challenges; however, in respect of a project, these challenges have to be addressed within the parameters of a pre-determined long-term contract.

It is important for all stakeholders that the works and services are successfully delivered. An effective balance between collaborative partnership working and understanding of contractual rights and responsibilities is the key to achieving this goal.

The challenge of reducing public spending will undoubtedly have an impact on all aspects of operational projects. We can expect to see tighter operation of payment mechanisms, and proposals from the public sector for de-scoping service levels and mothballing assets, adding to the challenges already created by the banks' financial difficulties.

The transitions from financial close to construction, and then from construction to operation and performance delivery, have their own unique challenges, not to mention the other specific hurdles such as benchmarking and market testing. In addition to all that are refinancing and variations, and the day-to-day issues that any other business will face. For project investors, there may be the sale and purchase of equity, in a variety of different market circumstances, where effective legal support will be required.

At Manches we have a team of highly experienced projects lawyers who have the benefit and combined experience of having been involved with over 70 PFI and PPP projects in a variety of sectors, including some of the highest profile and highest value deals yet procured. We combine this specialist expertise with significant experience of assisting businesses and public sector organisations with all aspects of their legal requirements.

We also recognise that as projects develop, the legal needs of all stakeholders will change. Manches is well placed to respond to these changing dynamics.

“Clients appreciate Manches’ ‘sensible and pragmatic approach.’ As one source explains: ‘The lawyers distil the key points into simple, clear advice.’ The team specialises in major developments and has handled numerous high-profile projects.”

Chambers & Partners UK

## ...to help your projects deliver.

### What we can do for you

The Manches Projects team comprises talented and highly qualified lawyers who adopt a practical and pragmatic team-based approach. We will match the right skills to the task in hand, ensuring that our clients receive quality advice that is efficiently provided, with an appreciation of commercial reality.

We have specialist experience in a wide range of project sectors including accommodation, defence, education, health, housing, justice, regeneration, transport and waste, and we are familiar with the typical project structures and standard form agreements.

We have significant experience not only of negotiating new projects, but also of advising clients on the management of existing projects.

We are aware of the special sensitivities and additional considerations that have to be taken into account in managing the long-term relationships involved in PPP projects.

Using the team's experience of a variety of bespoke and standard contracts (including SoPC and its predecessors, the OGC and TTF guidance) we are able to offer advice on:

- Variation procedures, mechanisms and negotiations
- Contract operation and interpretation
- Construction disputes
- Liquidated damages and delay claims
- Contractor insolvency and recovery
- Refinancing
- Corporate governance, director duties and shareholder relations
- TUPE and other employment issues
- Regulatory compliance
- Project litigation

### Why use Manches for legal advice?

- Manches is a leading UK law firm offering comprehensive legal services in key industry sectors.
- The firm has a distinguished reputation for delivering an outstanding service and clear, unequivocal advice.
- We have over 160 lawyers in three key locations in Oxford, Reading and London.
- Our existing clients benefit from strong, lasting relationships based on understanding and trust, a friendly approach, responsiveness to the task, and the quality and delivery of results.
- Client also benefit from our in-depth understanding of changing political, economic and social environments and the effect these have on businesses and individuals.
- We combine a true London presence and office facilities with the lower costs of lawyers based outside London.

## What have we done for our clients?

### NHS Projects

- Acted for funders in relation to a number of project variations, assessing the changes to risk profiles, advising on the necessary mitigations and negotiating the documents to put the changes into effect.
- Acted for a project company on project variations: negotiating terms with the authority to implement the variations; revising and renegotiating pass-down agreements and helping the project company to meet the funders' requirements.
- Acted for a project company in relation to delay and LAD claims; advising on its rights against the subcontractors, and achieving a winning result in adjudication.
- Advised a project company on employment and pension issues arising post financial close, to ensure that relevant personnel continue to work as required in the interests of the project.
- Acted for a project company in relation to all property issues arising during the course of the project term including the grant of leases to support third party revenue generation.
- Advised the private sector provider of an NHS Independent Sector Treatment Centre (ISTC) in relation to a variation to the Project Documents relating to insurance obligations, which included international negotiations.

- Advised a project company on the availability and scope of resources available to its public sector partner, and the renegotiation of service performance criteria.

### Key Worker and Social Housing

- Implemented post completion arrangements for a Registered Provider (RP) on various NHS PFI Key Worker Housing projects.
- Advised the private sector partner in relation to post-contract property issues arising in relation to several social housing developments.
- Advised a RP on termination options in respect of key housing management subcontracts on DBFO housing projects.

### Transport Infrastructure

- Advised London Underground Limited on the introduction of a variety of new infrastructure at its stations, and the operation of the necessary contractual mechanisms to bring these assets into the maintenance regime of its existing PPP and PFI contracts.
- Advised London Underground Limited in relation to the interpretation and performance of ongoing obligations under its six existing PPP and PFI contracts.
- Negotiated on behalf of a public authority new standard form key subcontracts following the contractor's insolvency.
- Advised a public authority on the taking over procedure following completion of the build phase of a major PFI project.

# MANCHES

The Projects team is led by Giles Clifford. For further information please contact Giles Clifford on 01865 813656 or by email: [giles.clifford@manches.com](mailto:giles.clifford@manches.com).

We advise clients on all areas of business law, including banking, asset finance, commercial litigation and dispute resolution, construction, corporate, employment, intellectual property and technology law, planning and environmental law, projects, property, public procurement and sustainability.

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