

Services Profile

KEYS TO SUCCESS

Underpinning the success of your PFI

The successful administration of PFI contracts requires a blend of skills, ranging from accountancy to construction management, from corporate finance to facilities management, encompassing all aspects of contract control and monitoring.

Vital to achieving success is the ability to look into the future as far as possible to identify and head off trouble. Each of the major risks transferred from the public sector to the private sector has to be proactively managed in such a way as to minimize the chances of their occurring. Should such risks actually arise, their impact will need to be managed and robust, workable solutions found to avoid their recurrence. A core part of CorLa's approach involves the identification and realization of performance improvements that may enhance investor returns or further underpin the security of the project itself.

Managerial challenges, opportunities and risks present themselves often when least expected at all stages of projects, including:

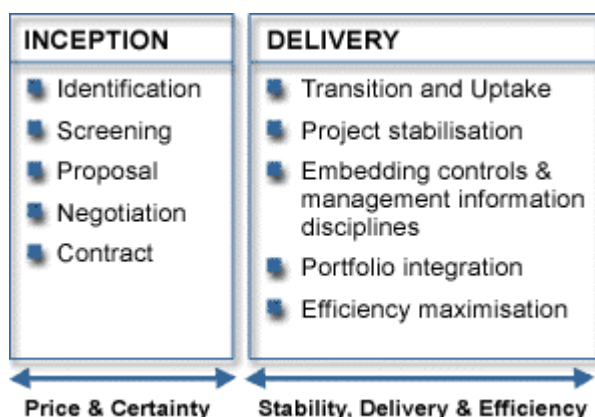
- Financial close
- Construction
- Service delivery
- Lifecycle replacement

Strong stewardship throughout is key, delivered in a way that allows the SPV always to have available the best mix of skilled resources reflecting the project's needs as they change over time.

EVOLVING NEEDS

Servicing your SPV or fund throughout its life

Throughout the life of a project, its service needs change significantly. This is true whether the client is an SPV in the primary market, a secondary market portfolio manager or a public authority.

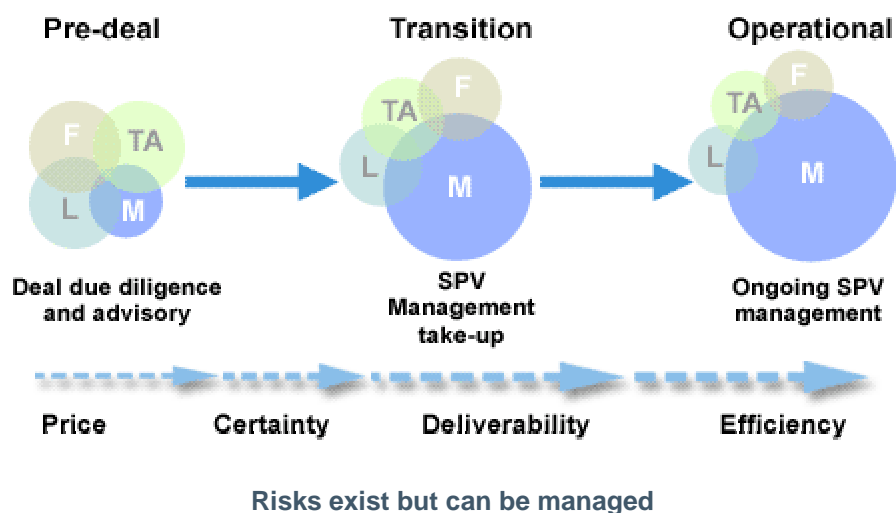


In the most simple terms a PFI project can be classified as either **pre-deal** or **post-deal**.

Your evolving support requirements

As your investments move through their life cycle, their advisory and service requirements will inevitably change significantly. In the pre-deal phase, there is a balance of reliance on the specialist services of legal, financial, management and technical advisors. However, as your project moves ahead, more emphasis is placed on establishing and developing efficient and effective management arrangements that will ensure its successful delivery over the long-term.

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MODELS

Benefits of the CorLa Model

Within a PFI project two main models exist for SPV Management:

- **The direct management model** - where stakeholders appoint their own SPV managers
- **The outsourced management model** - where stakeholders appoint external independent SPV management resources

Outsourcing to CorLa provides:

- Independence
- A wide range of specialist skills
- Currency of technical knowledge
- Single point of accountability
- A strong springboard for a well-priced sale of the investment

SERVICES

Setting up or buying a PFI Deal

CorLa's services can be divided into the pre-deal and post-deal phases. Questions we can help you answer:

Pre-deal services:

- Overall project evaluation
- Definition and pricing of management arrangements
- Sculpting of reporting arrangements to reconcile those of the stakeholders with the funders and other parties
- Identification of the data needed to assess operational and financial performance
- Assessment of the adequacy of the financial model to reflect and support the above
- Bid closure support

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Post-deal services incorporate a wide range of support services:

- Construction phase, including the provision of employer's agent services where required
- Procurement
- Operational and general management
- Financial management

Specific Expertise

CorLa has expertise that can be applied to specific point in time issues or one-off consultancy support. Areas of specific expertise include:



RESULTS

Real Benefits delivered:

- Improved IRRs
 - Greater confidence in project performance
 - Trade union and staff transfer issues resolved
 - Success in dispute resolution procedures
 - Handover achieved early or on time
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