

October 2007

# PFI: The State of the Market 2007

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**These are exciting times in the infrastructure market, both in the UK and overseas. It is clear that investment in public assets remains a priority, and meanwhile there continues to be a thriving private market for infrastructure assets of all flavours.**

The PFI model now has a strong intellectual pedigree, based on a strong market of suppliers and advisers and a robust contractual framework. The standardisation of contracts has helped deliver value for money and PFI now provides a model for delivery of successful public capital projects on time and to budget. PFI has led to related developments such as the programme-based models used in primary healthcare and the secondary school estate. Departments and other stakeholders continue to examine the way in which the principles of private finance and risk-sharing can be used in other contexts, for example regeneration projects.

We therefore think this is a good time to take stock and circulate information on the core PFI market. We took the decision a few years ago to set up a database of PFI projects, and since then we have been collecting data on projects as they sign and also on historic projects. We have been assisted in the gathering of information by the willingness of departments and authorities to engage with us and present information to us in a consistent manner, for which we are grateful.

I am proud to present this report which brings further clarity to this dynamic market.

James Stewart  
Partnerships UK Chief Executive



## | 2 | Introduction

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PUK launched the Projects Database in March 2005. This report presents some of the information collected to date.

The report has been produced in the interests of a well-informed market for PFI/PPP projects in the UK and elsewhere. The intended audience therefore includes both the public and private sectors, policy-makers as well as practitioners, and principals as well as advisors.

The report demonstrates and comments on trends in key areas, in particular in terms of the development of the market over time and across sectors, with additional information on specific areas such as sources of finance.

Our intention is to produce this report annually and we hope that it will help to inform readers across the market.

We have selected information to include in this report on the basis of completeness of data and relevance to a wider audience. The full range of information held is used to assist HM Treasury, devolved administrations, procuring authorities and market practitioners in a range of contexts.

The PFI model now has a strong intellectual pedigree, based on a strong market of suppliers and advisers. The PUK database is accessible through our website at [www.partnershipsuk.org.uk](http://www.partnershipsuk.org.uk). It is a database of all PFI and selected similar projects that have been completed since 1987 and notified to us for inclusion on the database, and contains details of over 820 completed projects. The information stored on the database is completed through a process of seeking data returns from the contracting authority after financial close is reached, although in some cases this information is complemented with information from other sources.

We have applied some exclusions to the projects analysed in this report as follows:

- we have excluded projects signed before 1 April 1995;
- the London Underground PPPs have been excluded due to their size, and
- we do not include Local Improvement Finance Trust (LIFT) or Building Schools for the Future (BSF) projects.

The LIFT and BSF programmes are substantial investment programmes in their own right, and by 31 March 2007 over £1bn of capital investment was due to be delivered under the first 42 LIFT projects and the first five BSF projects had reached financial close.

The report is split into two parts. The first covers the entire population of projects on the database (subject to the above exclusions) for the 12 years from 1 April 1995 until 31 March 2007. This sample contains 751 projects with a total capital value of £37.6 billion.

The second part focusses on projects that achieved financial close from 1 April 2004 until 31 March 2007. This sample contains 143 projects with a total capital value of £13.6 billion. This three-year period has been the main focus of PUK's data collection efforts and the data we hold for these projects is significantly more detailed.

Please see the technical annex for further explanation of the approach taken to sample selection for this report.

The information presented here is based on data provided to us on a voluntary basis. Whilst we do have quality-control processes over the data collection we do not guarantee its accuracy. Reliance should not be placed on this report for the purposes of making any investment or other decision. Partnerships UK accepts no liability whatsoever for any expense, liability, loss, claim or proceedings arising from reliance placed upon this report or any part of it.

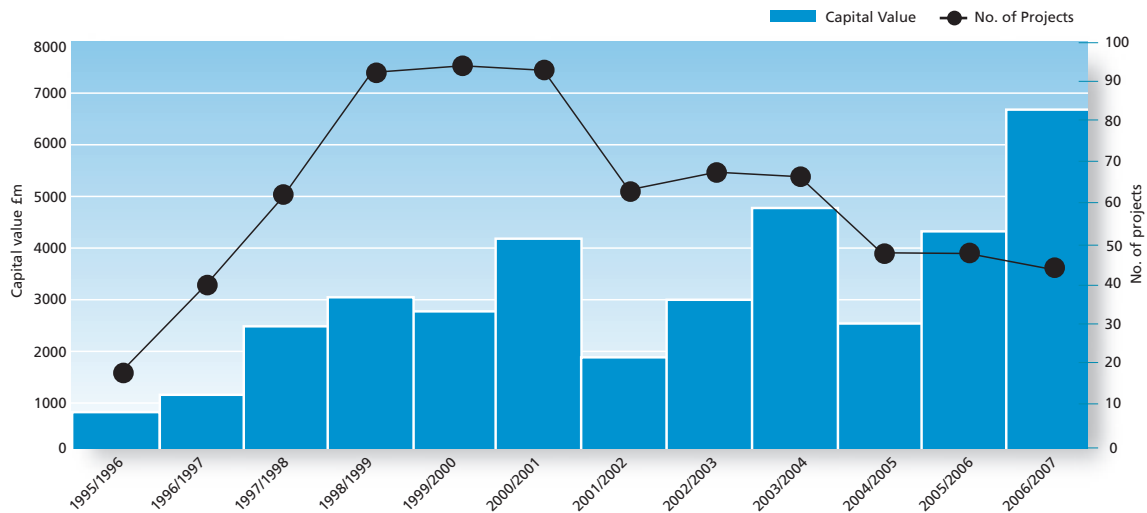


**Part 1:  
Analysis of  
transactions  
since 1995**

## | 6 | Size of the PFI Market

The earliest project on the database, the Dartford River Crossing, was signed in 1987. Following such early innovations, PFI was launched in 1992. However, due to the low volume of signed contracts before 1995 we have chosen 1 April 1995 as our start date. The chart below shows the number of projects and their total capital value, for projects reaching financial close between 1 April 1995 and 31 March 2007.

**Chart 1: size of overall market since 1995/96.**



Looking at the average capital value of projects over time, the number of projects peaked around the year 2000 but the capital value total has continued to rise. The average capital value of projects has reached £148.57m in 2006/07. The number of projects has fallen to the levels of the late 1990s but their capital value is the highest to date in 2006/07.

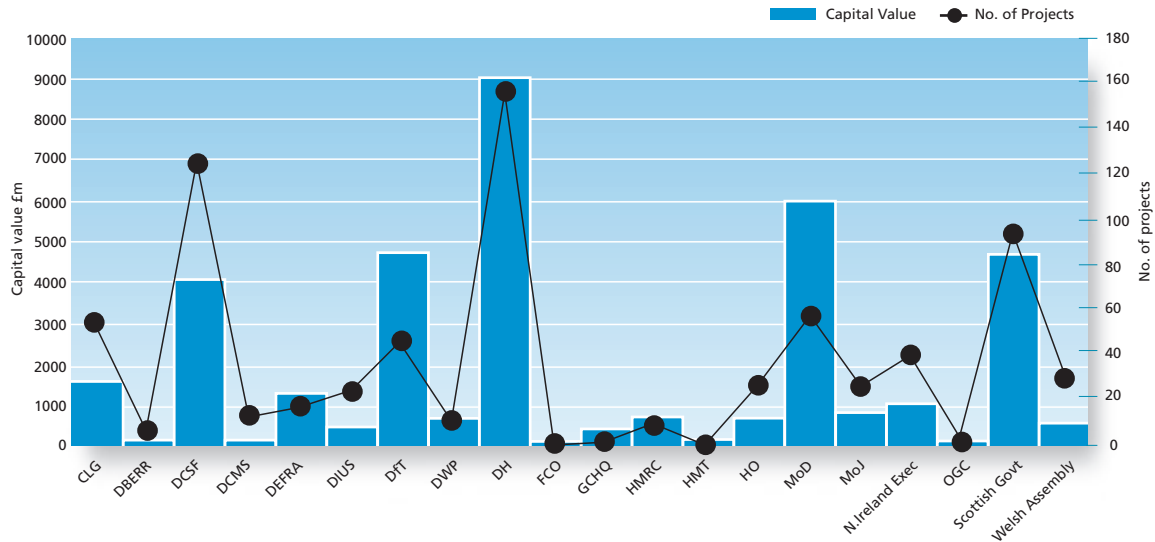
Two of the largest projects in the entire sample in terms of capital value were signed in 2006/07, being the redevelopment of the Royal Hospital of St Bartholomew and the Royal London Hospital (capital value £1.1bn) and Allenby/Connaught, an MOD estates project with a capital value of £1.3bn. The only other project with a capital value greater than £1bn is Skynet, at £1.1bn when originally signed in 2003/04.



## Main areas of activity

The chart below categorises projects by sponsor department, and shows the related capital values, for the same population of projects from 1 April 1995 to 31 March 2007.

**Chart 2: breakdown of projects by department**

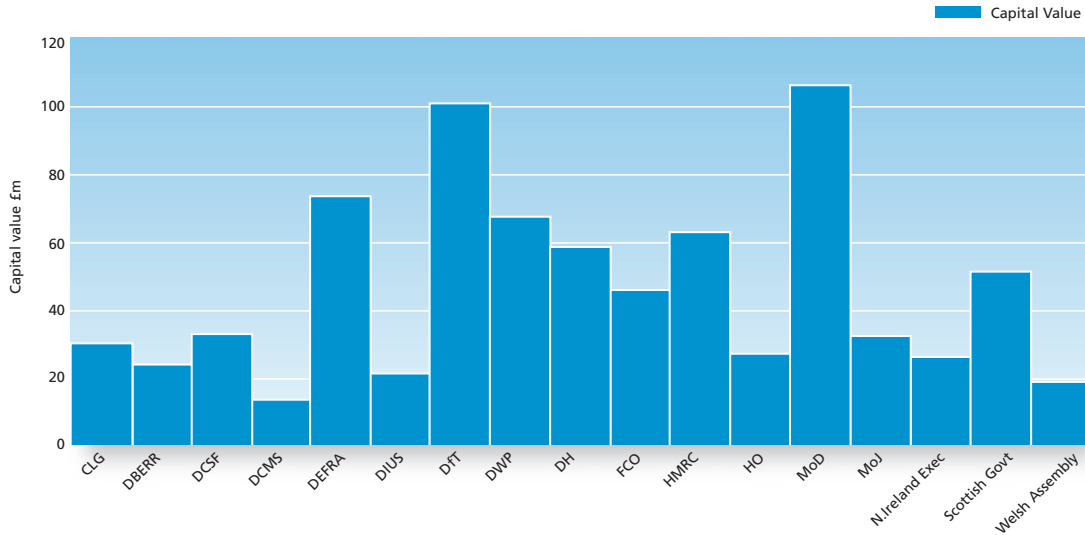


The main areas of PFI/PPP activity in terms of numbers of projects have been those sectors where Government has focused public investment in recent years: health and education. Moreover, investment in primary care is now being delivered through LIFT and investment in the secondary school programme is channelled through BSF, which are not included in these figures.

Other areas have also generated significant levels of activity. The Department for Transport and Ministry of Defence are well represented in terms of contract value and there are a number of projects administered by the devolved administrations, the Scottish Government in particular.

Charts 3 and 4 present the same data as average project size and with the projects grouped into capital value bands.

Chart 3: average project size by department



Three departments with only a single project each have been excluded from the above chart, being GCHQ, HMT and OGC.

Chart 4: breakdown of projects by department and capital value band

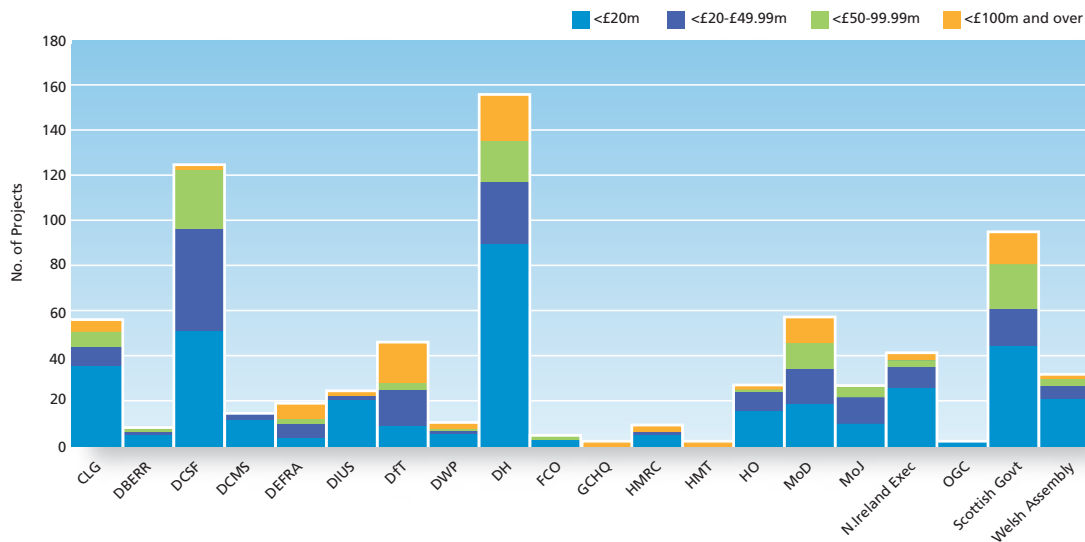


Chart 4 shows that across the total population of PFI projects there is still a preponderance of smaller projects, when analysed in terms of project number. However, in terms of capital value, projects with a capital value smaller than £20m represent only 7.7% of the total capital value.

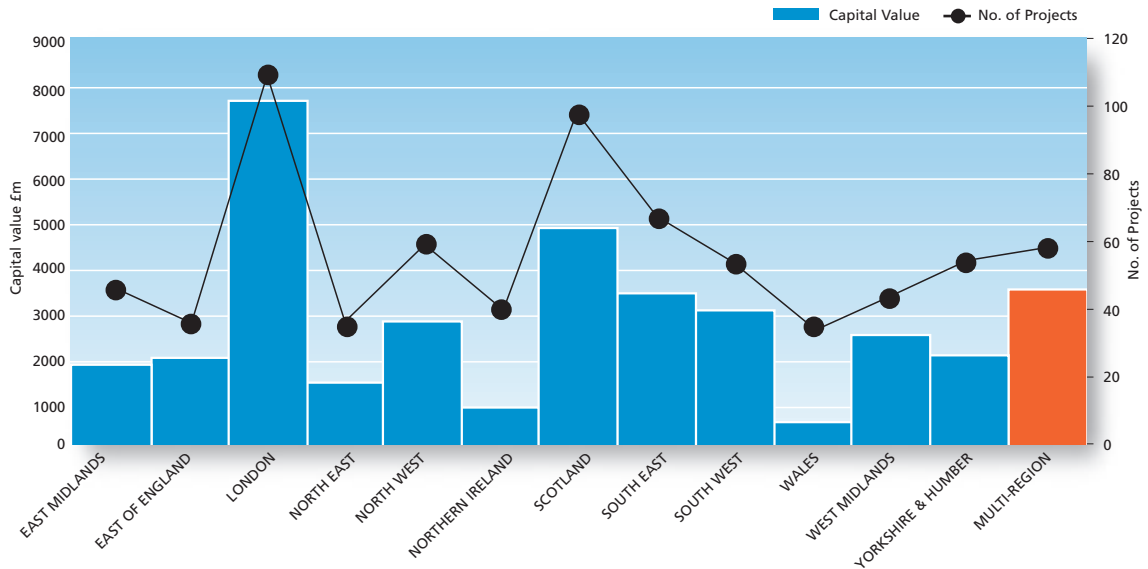
There are in total 96 projects with a capital value greater than £100m, including 5 with a capital value of over £500m.



## 10 Regional variations

The chart below illustrates project activity by region. We categorise using the areas of the regional government offices in England and the devolved administrations in Scotland, Wales and Northern Ireland.

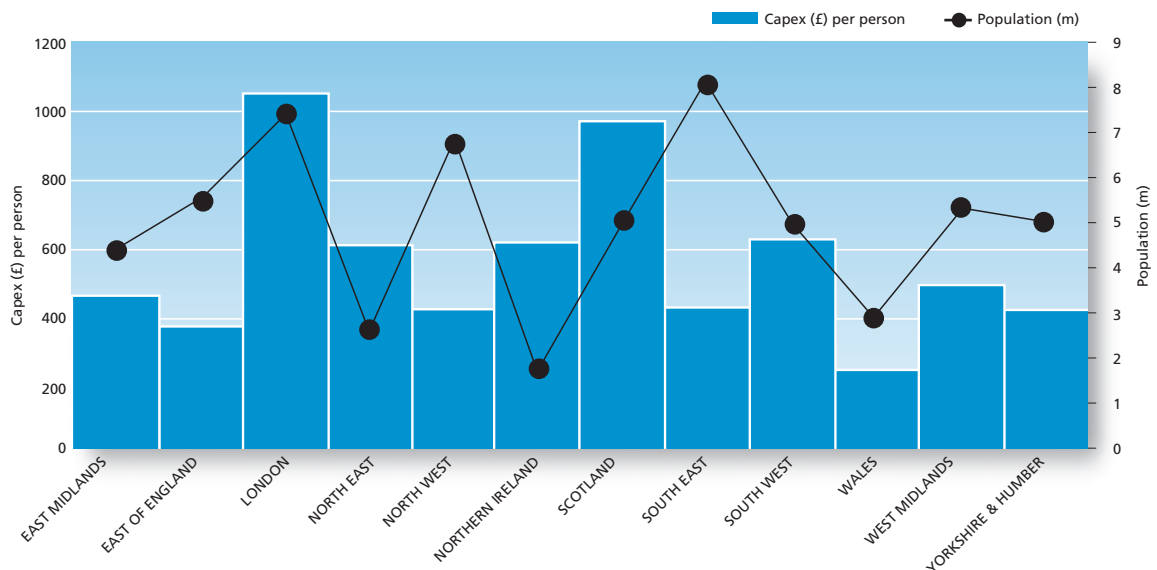
Chart 6: regional spread of projects



London and Scotland are the largest both in terms of number and capital value, with a relatively even allocation across other regions.

The North East, Northern Ireland and Wales are the lowest in terms of capital value, and these are also the smallest regions in terms of population. The following chart shows the population of each region<sup>1</sup>, and the capital expenditure per head of population associated with the above projects. (“Multi-region” projects are not represented in chart 7.)

Chart 7: capital value (£) per person



It can be seen that since 1995 the areas receiving the highest levels of PFI investment, measured on a per capita basis, are again London and Scotland.

<sup>1</sup> Source: Office for National Statistics, mid-year 2004

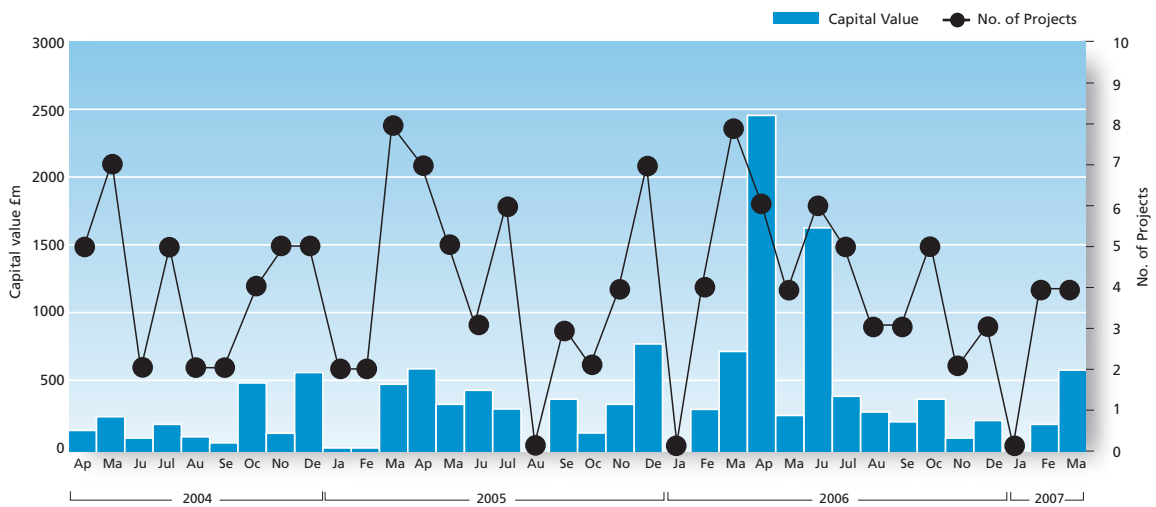
**Part 2: three  
years in  
review – 2004  
to 2007**

This second part of the report covers only projects achieving financial close between 1 April 2004 and 31 March 2007. This sample contains 143 projects with a total capital value of £13.6 billion.

## Timeline

The chart below shows a time-series for the last three financial years of projects reaching financial close month by month.

Chart 8: 2004-07 monthly time-series

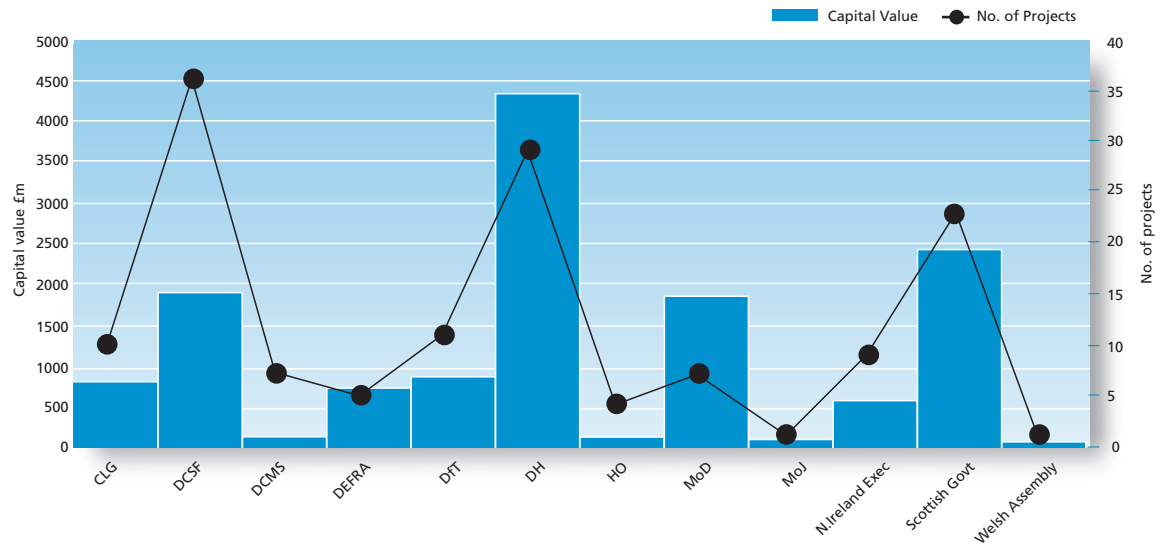


The largest peaks are driven by a small number of very big projects each involving over £500m of capital investment: the redevelopment of Barts and the Royal London, and Allenby/Connaught, in April 2006, and Birmingham hospital in June 2006. However, one general observation from this chart is that there has tended to be something of a peak of projects reaching financial close in March and April.

## Key sectors

The chart below categorises projects by sponsor department and shows the numbers and related capital values for projects that achieved financial close in this period.

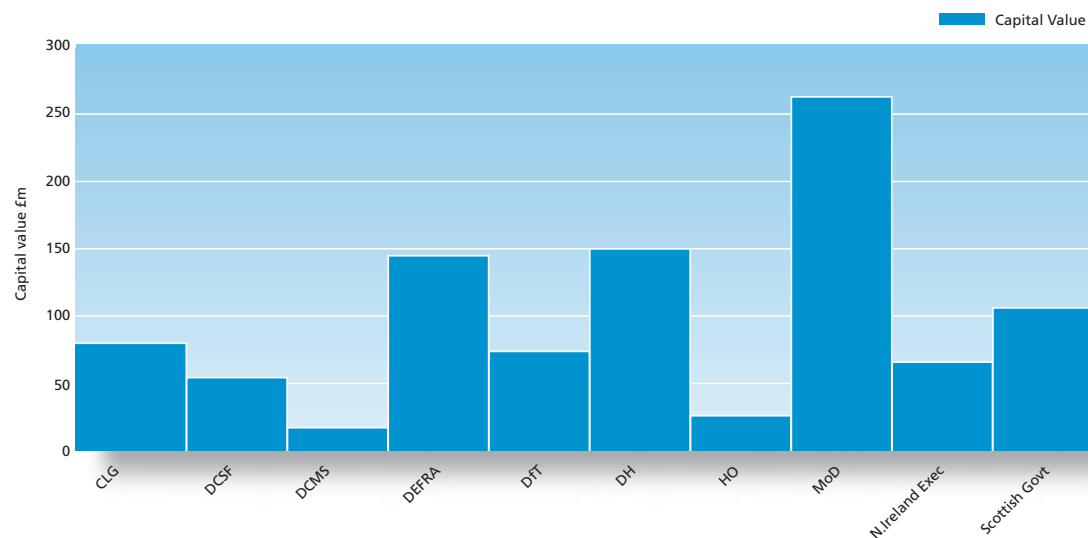
**Chart 9: breakdown of projects by department, 2004-07**



As in part 1, the main focus in these three years in terms of numbers has been on education and health projects, with MOD and the Scottish Government also contributing significant proportions of the total when capital value is considered. Transport projects feature less strongly in this chart than in the comparable chart 2 above.

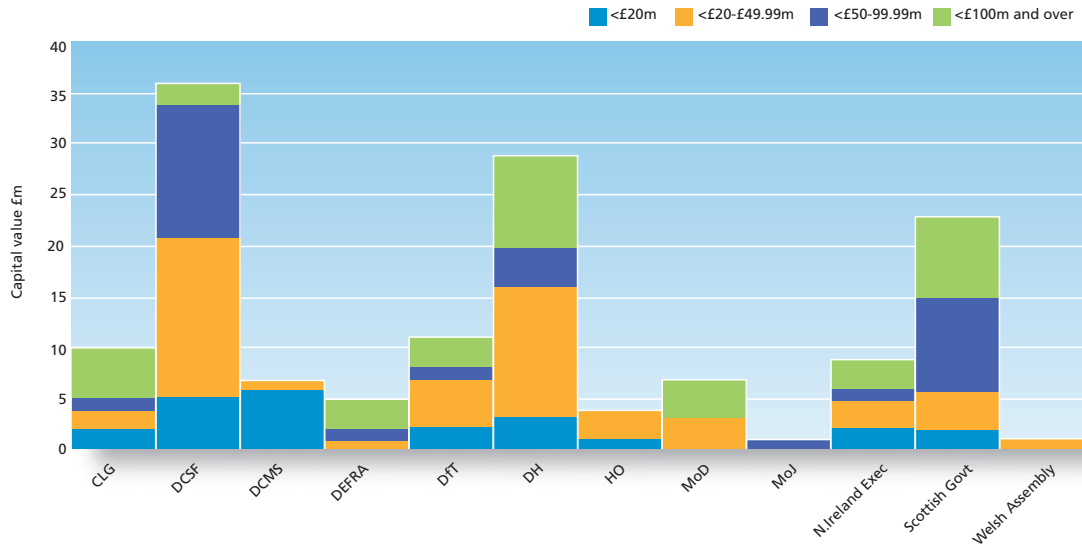
Charts 10 and 11 present the same data but as average project size and with the projects grouped into capital value bands.

**Chart 10: average project size by department, 2004-07**



Departments with single projects have been excluded from this chart; in this case the Ministry of Justice and the Welsh Assembly.

Chart 11: number of projects by department and capital value band, 2004-07



The HM Treasury document “PFI: meeting the investment challenge”, July 2003, suggested that procurement costs tended to be disproportionate for schemes smaller than £20m in terms of capital value. The sample of projects reaching financial close in these three years still includes a number of small projects, but only four of these started procurement (as assessed by the date on which they issued their OJEU) after 1 July 2003.



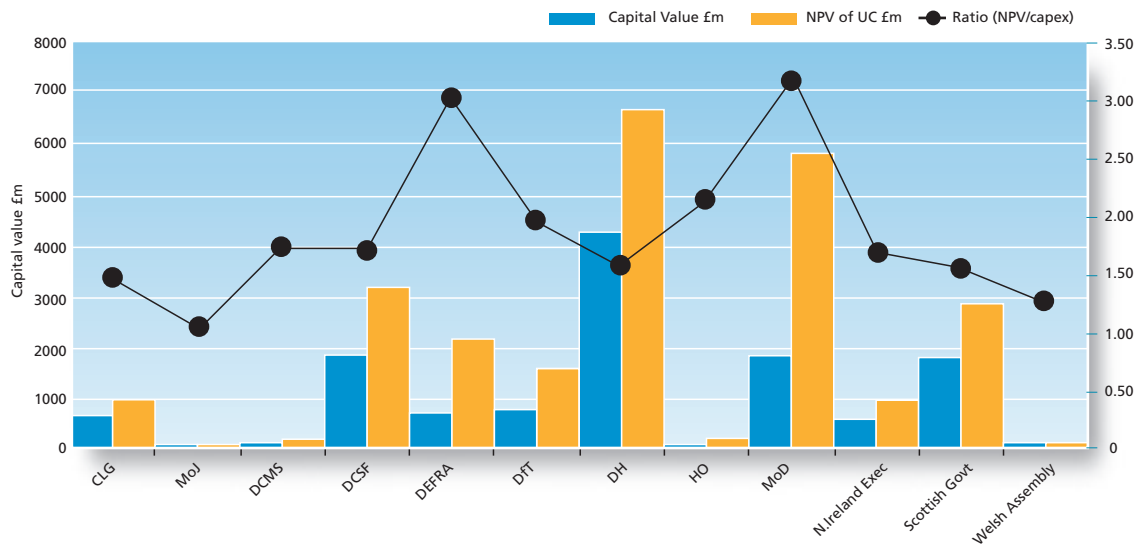
## Comparison of capital value against NPV of unitary charge payments

One of the objectives of PFI is to generate efficiencies by combining investment in capital assets with related service-delivery obligations, e.g. maintenance and facilities management (FM) services. This is particularly clear for so-called “hard” FM services, and the recent guidance from HM Treasury regarding the inclusion of “soft” FM services, for example cleaning and portering, may make it less likely that such services will be included in future PFI contracts.<sup>2</sup> Historically, most projects include soft FM services.

The level of services can be compared between projects by calculating the ratio of the net present value (NPV) of the projected unitary charge payments to the capital costs invested in a project. This is only an indicative measure of the scope of services given that the risk transfer and cost of the actual funding varies from project to project.

Chart 12 shows this ratio between capital values and the NPV of projected unitary charge payments; a high ratio tends to indicate that a project includes a high amount of service provision compared to capital investment.<sup>3</sup>

Chart 12: comparison of capital value to NPV of unitary charge, 2004-07



The chart suggests that the extent of services included in projects does vary from sector to sector, e.g. it is towards the higher end for defence and waste projects.

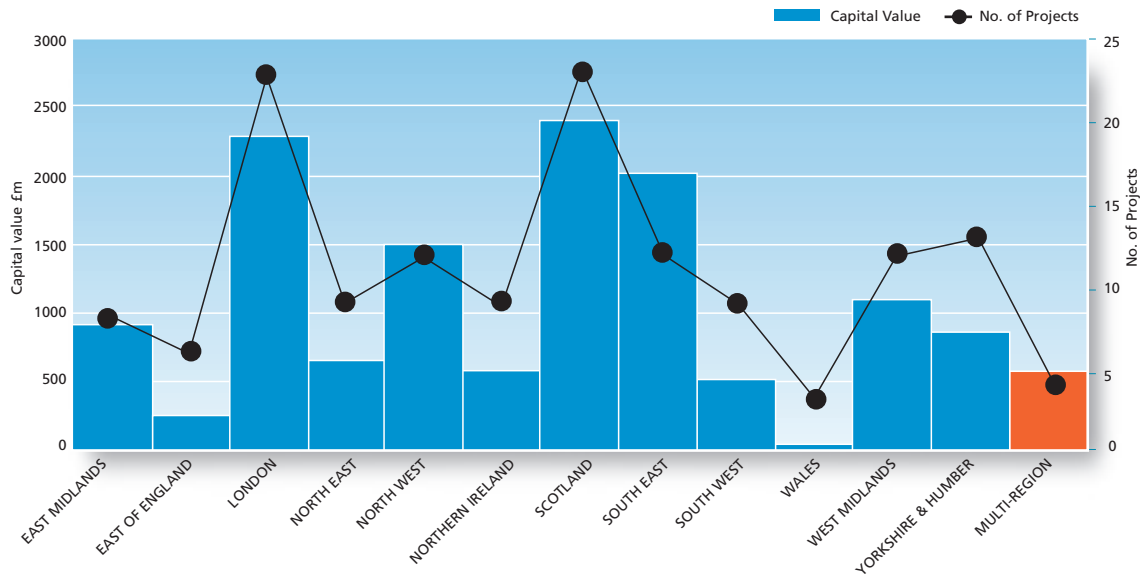
<sup>2</sup> See 'PFI: strengthening long-term partnerships', March 2006 and 'Value for Money Assessment Guidance', November 2006.

<sup>3</sup> The NPV is calculated using the public sector discount rate of 3.5% real. For a small number of older projects the previous rate of 6% real has been used by authorities. There are further assumptions required in order to make this calculation, for example the future rate of inflation. In some cases, for this chart, we have made different assumptions from those made by authorities for the purpose of the data presented here.

## 16 | Regional activity

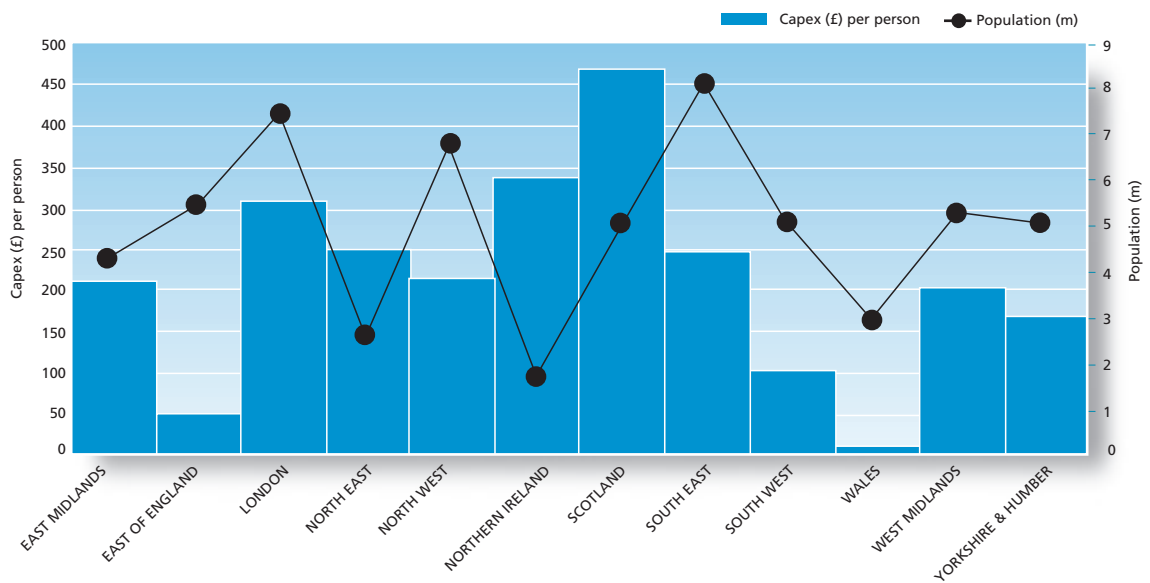
The chart below illustrates project activity by region for this three-year period. As with the chart of all projects since 1995 (see chart 6), the spread shows a slight emphasis on London and Scotland, and also the South East, over the period.

Chart 13: regional spread of projects, 2004-07



The following chart shows the population of each region and the associated capital spend per head over the three-year period. The outliers are the devolved administrations – the lower use of PFI by the Welsh Assembly can clearly be seen but again there is a significant spend level in Scotland and, to a lesser degree, Northern Ireland (which has seen the creation of the Strategic Investment Board) although the latter is the smallest region in the UK by population.

Chart 14: capital value (£) per person, 2004-07



## Key projects

The following table lists the 10 largest projects in terms of capital value for the same period. Commentary on each is provided below.

Project Name	Authority	Capital value £m
Allenby/Connaught	MoD	1,260
Redevelopment of the Royal Hospital of St Bartholomew and the Royal London Hospital	DH	1,070
Birmingham New Hospitals Project	DH	630
Central Manchester & Manchester Children's Hospitals	DH	410
South Lanarkshire Council - Secondary Schools Modernisation Programme	Scottish Govt	390
St Helens and Whiston Hospitals Strategic Redevelopment Project (Merseyside)	DH	340
Sherwood Forest Hospitals NHS Trust - Modernisation of Acute Services in Central Nottinghamshire	DH	300
Newcastle upon Tyne Hospitals NHS Trust - Transforming the Newcastle Hospitals	DH	300
North Lanarkshire Council - Education 2010	Scottish Govt	280
Lancashire Waste Treatment and Transfer Facilities	DEFRA	250

### Health

Large-scale health projects figure prominently in the list with hospital projects in London, Birmingham, Manchester, Merseyside, Nottinghamshire and Newcastle upon Tyne all featuring in the top 10.

The Barts and the Royal London project involves the redevelopment of these two hospitals and the provision of services and equipment. Once completed, the scheme will have state-of-the-art cancer and cardiac facilities and the biggest A&E department in Europe.

The Birmingham New Hospitals Project will transform and modernise acute hospitals and mental health services in South Birmingham. The scheme encompasses a new 1,231-bed university hospital on the current Queen Elizabeth site and a new Clinical Sciences Centre in partnership with the University of Birmingham. The project will render the Selly Oak site surplus to NHS requirements and will facilitate significant urban regeneration.

Central Manchester & Manchester Children's University Hospitals NHS Trust is a major teaching trust with six hospitals on four sites. The PFI is to replace five of the existing hospitals into a linked development on the central Manchester site.

## **Health** (continued)

The Merseyside project involves redevelopment, including a new diagnostic treatment centre at St Helens and a new 963-bed general hospital, delivering a full range of acute services, at Whiston. The new facilities will replace outdated facilities at Whiston Hospital, with patients currently having to be moved across the site between buildings.

The Sherwood Forest Hospitals project combines new facilities and refurbishment, whilst the Newcastle project is predominantly new-build and will rationalise services from three to two sites. The Newcastle contract is in the minority within this group in not including soft facilities management services.

## **Scottish Government**

The two Scottish Government projects in the group are both large grouped-schools projects, in North and South Lanarkshire.

The South Lanarkshire project involves the design, new build and renovation/remodelling of 18 schools. Every secondary school within the South Lanarkshire estate will be completely rebuilt or receive major refurbishment. The North Lanarkshire project is comprised of a range of facilities, from single school developments to joint campuses in both primary and secondary sectors, 24 in total.

## **Defence**

Project Allenby/Connaught is the largest estates PFI project the MoD has ever undertaken, and will see the significant redevelopment of Aldershot Garrison and garrisons in the Salisbury Plain area. The project includes the construction of several new barracks but also extensive services provision. In all the project will provide 18,000 military and civilian staff with brand new or refurbished living and working accommodation.

## **Waste**

The Lancashire waste project is a component of a wider waste management initiative involving fifteen local authorities in Lancashire, known collectively as the Lancashire Waste Partnership. The project's principal aim is to reduce the amount of waste going to landfill by 75%. Two Central Waste Treatment Facilities capable of processing over 500,000 tonnes of waste per year will be built under the contract. These will treat municipal waste through mechanical biological treatment and will separate recyclates and compost green waste.

## Financial arrangements

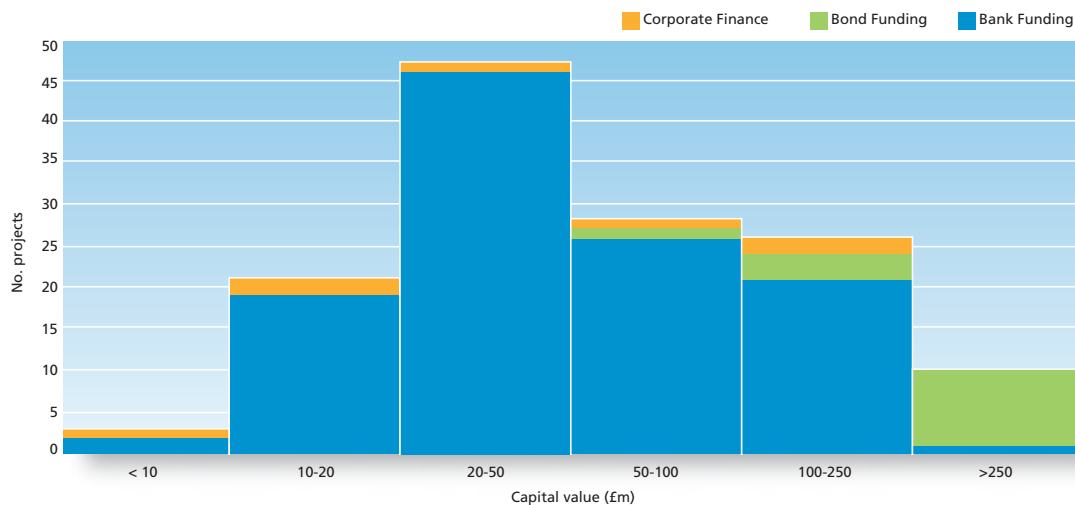
The standardised PFI contractual arrangements do not require any specific financial structure and the model has accommodated a range of approaches. However, in most cases the financing of a PFI project can be characterised by a split between:

- (a) senior funding, provided on a limited-recourse basis by external funders and constituting the majority of the finance. This is normally sourced from either the banking or capital (i.e. bond) markets, and
- (b) equity, in the form of true equity and shareholder loans, sourced from contractors involved in the bid and/or financial investors.

An alternative approach is to use 'corporate' finance, where funding is provided entirely by the project's corporate sponsors.

We have charted the transaction size, in terms of capital value, against the choice of financing route i.e. whether bank, bond, or in some cases corporate finance, in chart 15:

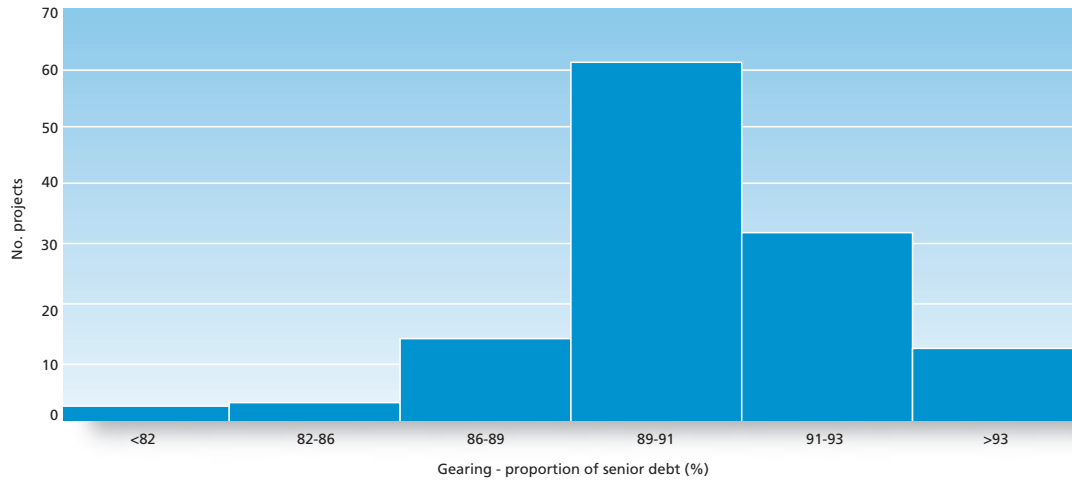
**Chart 15: analysis of transaction size and financing route, 2004-07**



The chart shows that for most projects funding involves senior debt provided from the banking market. It can be seen that bond finance is the instrument of choice for only the largest transactions. It is often assumed that corporate finance is only appropriate for the smallest projects; this is not borne out by the results but there are relatively few corporately-financed projects.

Given the dominance of limited-recourse structures with third-party lenders, the "gearing" of a project vehicle, i.e. the proportion of funding provided from senior funders, is a key feature of the financial model for most projects. The level of gearing will in practice tend to be an important determinant of the overall cost of capital, as well as dictating the borrowing requirements. The gearing of projects reaching financial close in this period is represented in chart 16.

Chart 16: gearing, 2004-07



The standard gearing ratio for a PFI deal is frequently stated as “90:10” and the above chart shows that this is the most common ratio in practice although there is some variation either side.

## Main industry participants

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The charts in Appendix 1 present information on the main industry participants for projects that achieved financial close in the financial years 2004/2005 to 2006/2007. We cover the following activities:

- project sponsors, ie initial providers of equity
- construction contractors
- hard facilities management (“FM”) contractors
- soft FM contractors
- lenders (bank providers of senior funding)
- financial advisors
- legal advisors
- technical advisors
- insurance advisors

The findings demonstrate that there is a wide range of organisations active in the UK PFI market, in terms of providers of finance, contractors and service providers, and also in the advisory market. In no market is a single player or small group dominant, with the possible exception of the insurance advisory market.

## Conclusion

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**This report summarises the size and shape of the overall PFI market since its inception and, in greater detail, over the last three financial years. It demonstrates the wide range of areas in which PFI has contributed to the delivery of public services, and the wide range of active market participants.**

In terms of detailed information on specific projects, we have included summaries of the largest projects and information on key market participants over the last three years.

This report has been produced for the benefit of policy-makers and public authorities in terms of giving context to their own position, and also in order to circulate information for the benefit of current and future private-sector participants in the UK market. We expect to repeat this report in future years.

We are happy to discuss further any particular findings or, subject to confidentiality constraints, contents of the database which have not been included in this report. Please contact Michael Rees at Partnerships UK for more information, [michael.rees@partnershipsuk.org.uk](mailto:michael.rees@partnershipsuk.org.uk) or 020 7273 8383.



# Appendix: Main industry participants

Law Goddard  
Turner & Townsend

Balfour Beattie

MEC

ITC Service

Skanska Water

Skanska

**24** The following charts represent the information contained on our database on the major participants in the UK PFI market in terms of project sponsors, contractors, lenders and advisors, for projects reaching financial close over the period from 1 April 2004 to 31 March 2007.

The most significant participants have been identified based on the number and capital value of projects where they have been involved. We are aware that capital value is not the only indicator of project size or significance, but it is a well-understood and easily-comparable indicator.

The analysis of advisors is based on combined public-sector and private-sector activity, and the relevant charts show the split between work on each side.

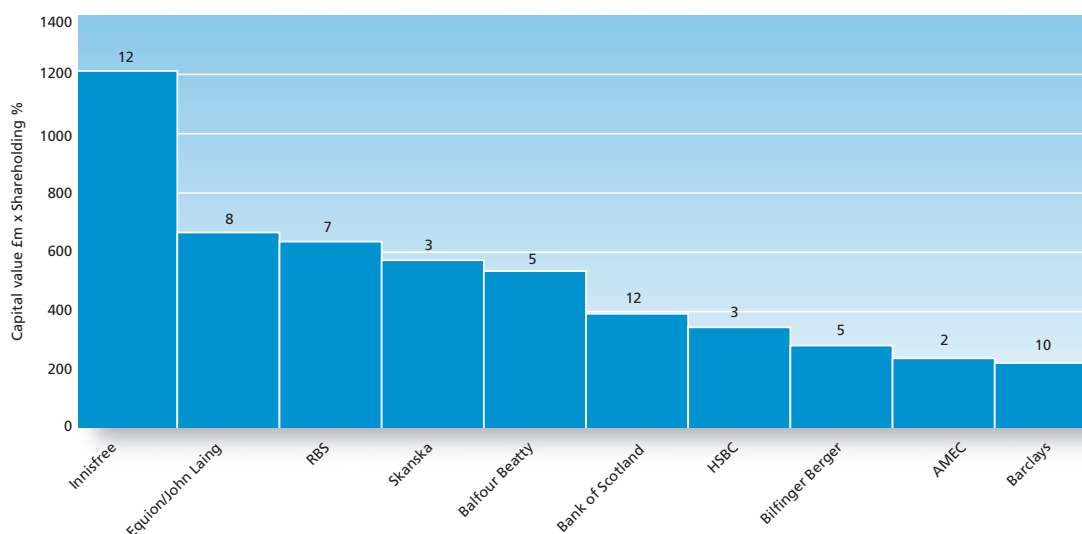
The information presented here is based on data provided to us on a voluntary basis. Whilst we do have quality-control processes over the data collection we do not guarantee its accuracy.

## Project investors

This chart details the top ten initial equity investors in PFI project companies between 2004 and 2007. The chart is ordered in terms of the capital value (£m) of the projects in which they are involved, multiplied by the proportion of the equity contributed by each sponsor. So for example, if a project with a capital value of £100m has two shareholders each contributing 50% of the equity, each receives a representation of £50m in the chart. Changes in shareholder after financial close are not reflected in this analysis. This is not intended to capture the amount of actual cash investment by each sponsor.

The figure above the bar details the number of projects from the three-year sample in which the investor has a shareholding.

**Chart 17: initial investors, by capital value of projects**



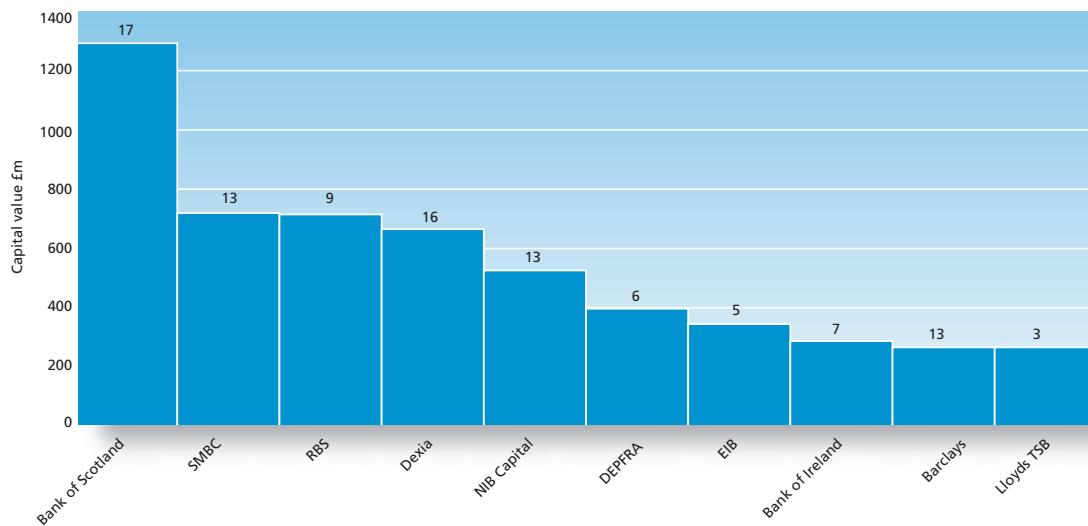
## Lenders

This chart details the top ten lenders between 2004 and 2007 to bank-financed projects. The chart is ordered in terms of the capital value (£m) of the projects in which they are involved. The figure above the bar is the number of projects.

In cases where our records indicate that there are several lenders involved, each one is counted as being involved, but the representation in terms of capital value is pro rata to the number of lenders.

The minority of projects which were funded by bond investors are excluded from this sample, which means that projects with both bond and bank funders present are also excluded. This does have a particular impact on the European Investment Bank, who part-funded four projects which are not represented on the chart below including, for example, the redevelopment of Barts and the Royal London which was in the main bond-financed.

**Chart 18: lenders, by capital value of projects**



## |26| Contractors

There are a wide range of contractors now active in the UK market. The following charts show the top ten competitors in the three-year period for the roles of construction contractor, hard FM contractor, and soft FM contractor.

For the roles of construction and hard FM contractor, the charts are based on the capital value (£m) of the projects in which contractors have been involved. The figures above the bar detail the number of projects. For the soft FM role we have based the analysis solely on the number of projects, on the basis that capital expenditure is a poorer guide to the size of the soft FM role (indeed, for some projects there may not be one).

In all cases we are presenting the information provided to us, where we have sought the identities of the key contractors of substance involved in project delivery. In most cases these organisations are sub-contractors to a special purpose vehicle set up as the authority's contractual counterparty under the PFI agreement.

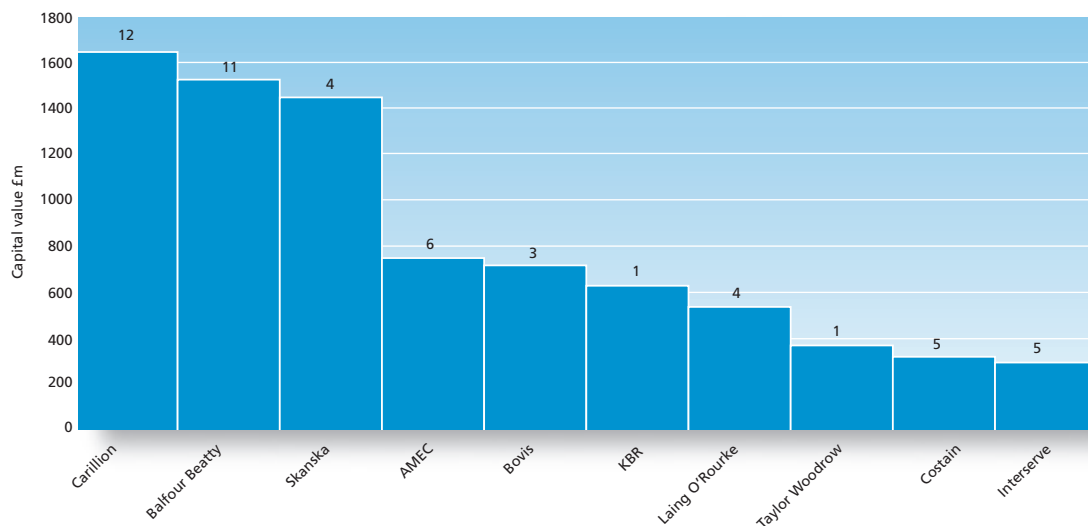
In cases where there are several contractors involved each one is counted as being involved, but the representation in terms of capital value (where relevant i.e. not for soft FM) is pro rata to the number of parties. This scenario, of multiple contractors, is more common with the larger projects and we have not sought to reflect the actual proportion of work performed by individual contractors.

Some of the contractors are constituted as separate companies within a single group. In such cases we have categorised related companies under a single name.

### Construction Contractors

The following chart details the top ten construction contractors over the period. These ten contractors cover projects with a total capital value of £8.1bn, being 63% of the total market for which we have this data. Therefore, just over a third of projects have construction contractors outside the top ten, which supports the overall conclusion that the market exhibits a healthy degree of diversity.

**Chart 19: construction contractors, by capital value of projects**

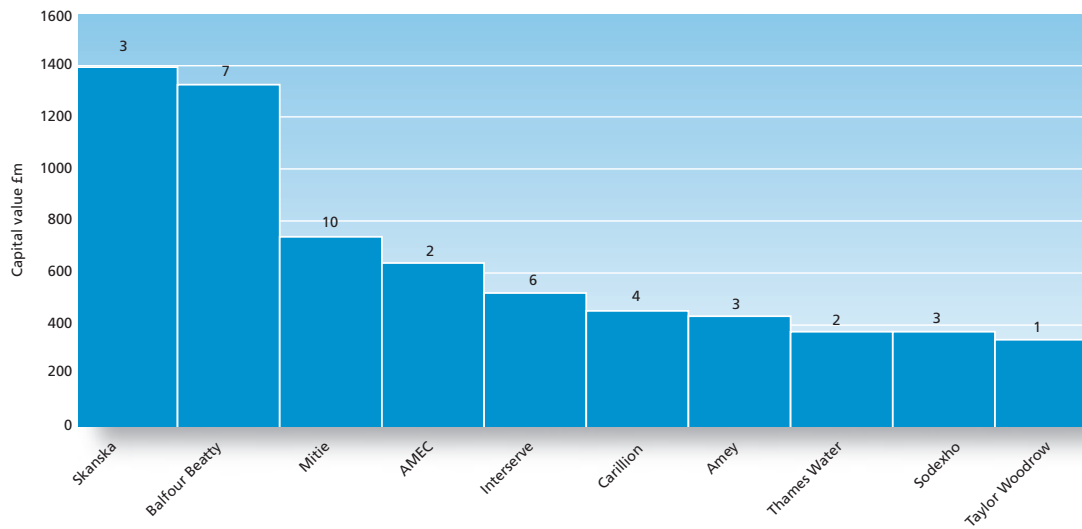


## Contractors (continued)

### Hard FM Contractors

This chart details the top ten hard FM contractors over the period. For hard FM, the top ten cover projects with a total capital value of £6.6bn, being 56% of the total sample for which we have this information.

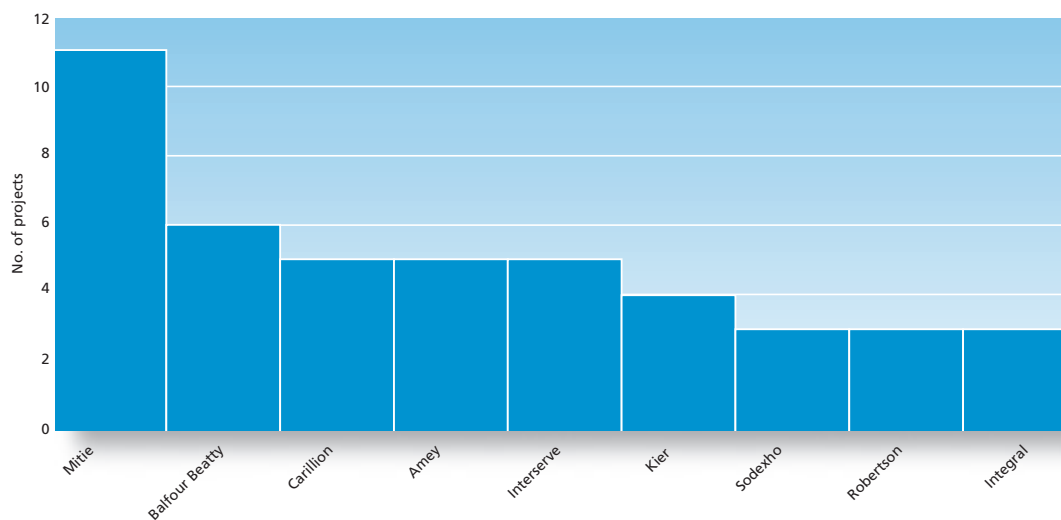
Chart 20: hard FM contractors, by capital value of projects



### Soft FM Contractors

This chart details the top nine soft FM contractors over the period, on the basis of the number of projects alone as discussed above. We show only the top nine because there are 15 companies who were detailed as soft FM contractor for two projects.

Chart 21: soft FM contractors, by number of projects



## Advisors

The following charts follow the same format, but are based around number of projects rather than capital value, with the capital value shown in figures above the bar for each advisor.

These charts provide details of advisory services provided to both the public and private sectors. They cover only the procuring authority and the contractor itself, not advisors to lenders or other stakeholders.

Where an advisor has worked for both sides of a single transaction (which in this sample is almost exclusively in the case of the insurance advisory market), credit is given twice both in terms of the count and the capital value.

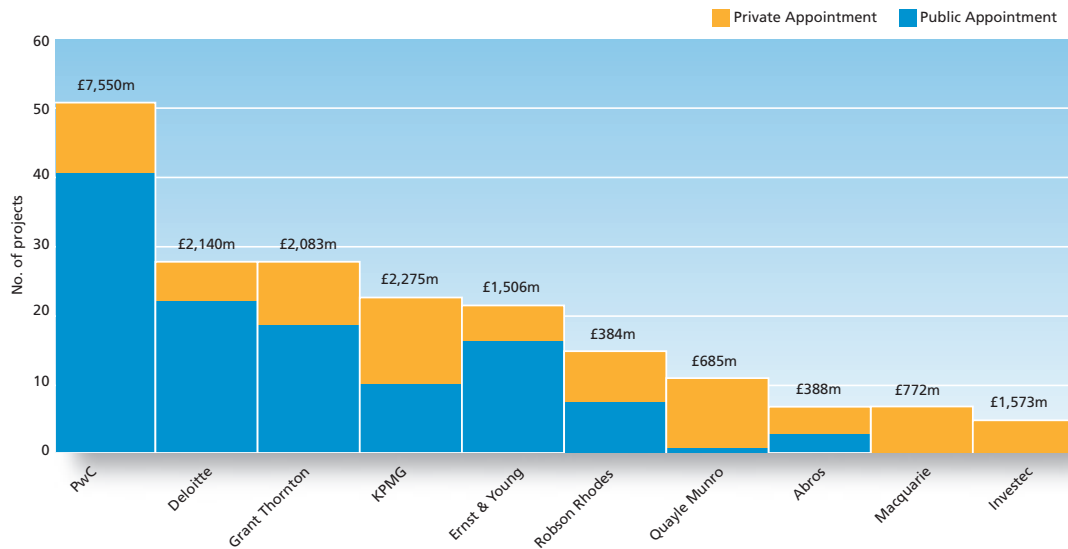
We have adopted a similar approach to the limited number of cases where the authority has reported to us that there was more than one advisor to either the public or private sector, but divided the representation of the project’s capital value for that side of the transaction equally between the parties. Across all of the following charts of the various advisors, there are eleven instances of a project’s having more than two advisors.

### Financial Advisors

This chart details the top ten financial advisors over the three-year period.

The most active advisor in the market has been PricewaterhouseCoopers, followed by the other members of the “Big Four” and also Grant Thornton and with Robson Rhodes in sixth position. The advisors listed in positions seven to ten are investment banks or boutique advisory firms.

Chart 22: financial advisors

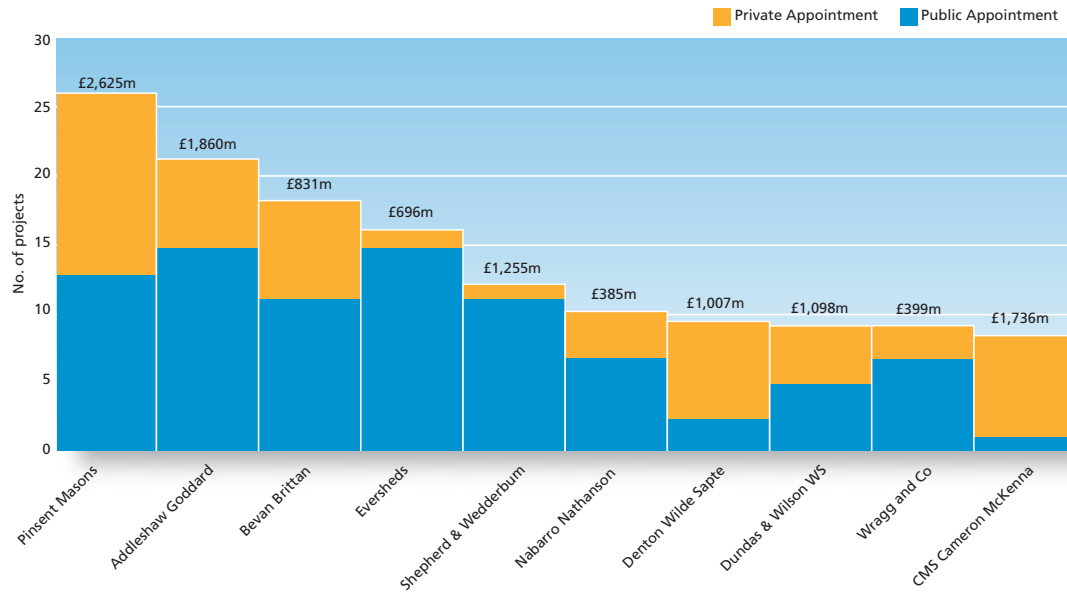


## Advisors (continued)

### Legal Advisors

The following chart details the top ten legal advisors in the period. It shows that the “Magic Circle” firms are largely absent from the PFI market now, although they are present on some of the larger transactions.

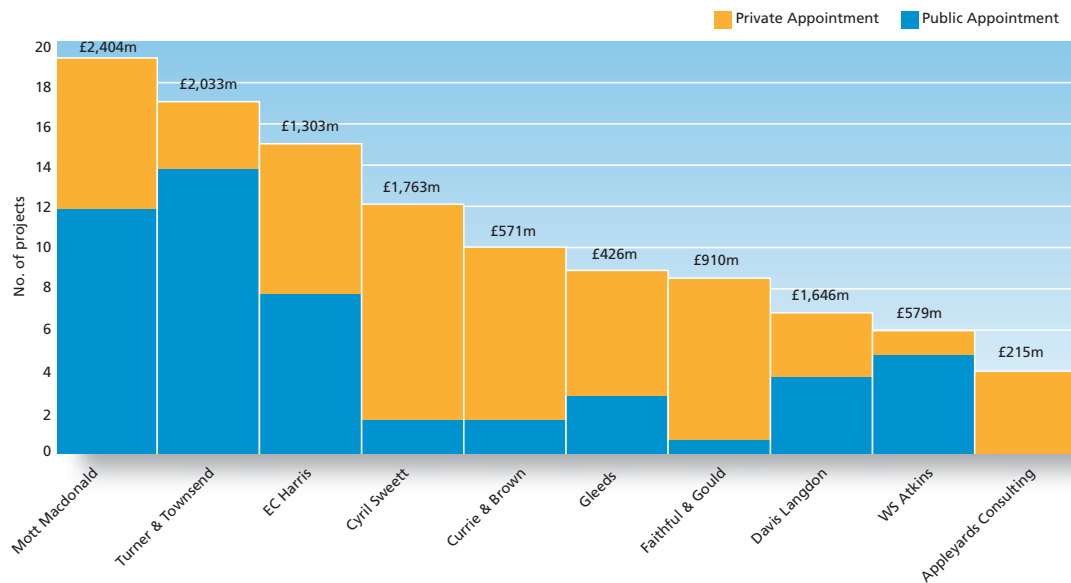
Chart 23: legal advisors



### Technical Advisors

This chart details the top ten technical advisors between 2004 and 2007. The overall shape of the chart shows a steady progression. In general, fee rates for technical advisors are a little lower than for legal and financial advisors.

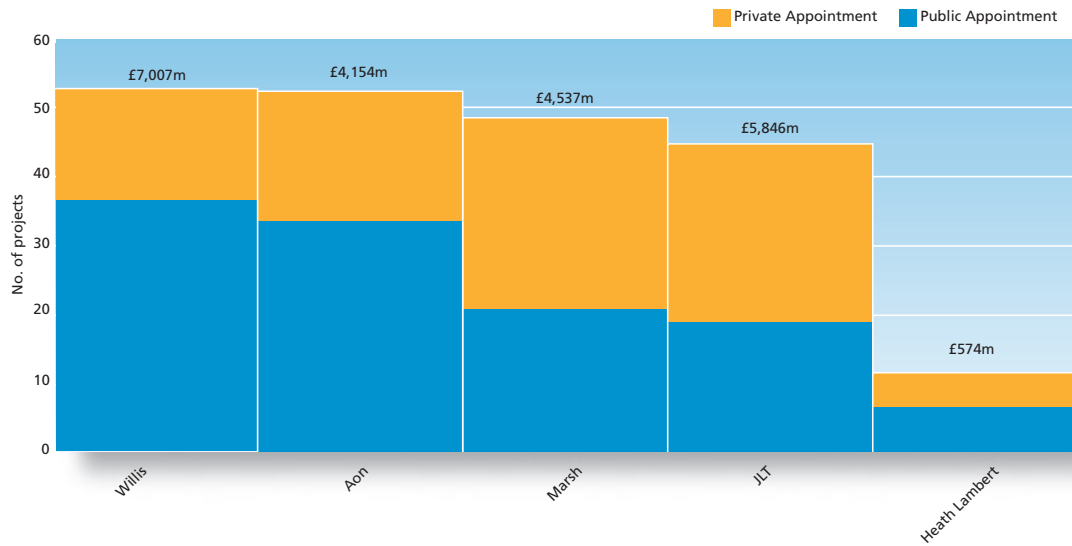
Chart 24: technical advisors



### Insurance Advisors

This chart details the top five insurance advisors in the period. The insurance advisory market is more concentrated than the other advisory markets.

Chart 25: insurance advisors





# Technical annex: Project classification

## 32 | Sample selection

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This report is based on projects which have been reported to us for inclusion on the database as PFI or PPP projects. For simplicity we use the term 'PFI' throughout. We have imposed some limits on which projects to include in this report:

- we have excluded projects signed before 1 April 1995. PFI was launched in 1992, but due to low volume of signed contracts before 1995 we have chosen that start date;
- the three London Underground PPPs have been excluded as their total capital value, of £16.6 billion, would greatly distort the figures for 2002/03 and 2003/04, and
- this report does not cover LIFT or BSF projects. All 42 LIFT projects included in the original three-wave programme had, by 31 March 2007, closed at least one phase of work and five BSF projects had reached financial close by 31 March 2007. These programmes are related to PFI but use distinct structures and are managed as separate programmes.

We have not sought to align the sample of transactions to H.M. Treasury's list of signed projects, which is published on the H.M. Treasury website and which excludes some projects, for example because they have concluded or been terminated.

Where reference is made to government departments and the devolved administrations, we follow the current structure although the actual contract signature may have taken place under earlier administrative arrangements.

When interpreting the time-series information presented, it should be noted that the projects are dated on the basis of when they reached financial close rather than earlier significant milestones such as the completion of an outline business case or the start of procurement (or later milestones such as the start of operations).

## Database coverage

For all projects we are reliant on information provided to us and there remain some information fields where coverage is less than 100%.

The database contains information in the data fields analysed in part 1 of this report for all the projects since 1995. For the information analysed for projects reaching financial close in the last three years, i.e. part 2, information coverage is as follows:

**Table 2: database coverage over last three years**

Year	Proportion of projects where we have a data return from the authority
2004/05	90%
2005/06	94%
2006/07	82%
Average	89%

**Table 3: market participant coverage**

	Coverage		
	Public	Private	Average
Investors	97%		
Lender (where a bank project)	91%		
Construction contractor	94%		
Hard FM	88%		
Soft FM	71%		
Financial	99%	93%	96%
Legal	99%	94%	97%
Technical	95%	74%	85%
Insurance	86%	80%	83%

Some of the lower coverage figures are in areas where the role is not applicable to all projects, for example the project sponsors will often have technical expertise in-house and may not require external technical advisory services, and soft FM is not included in all projects.