

It's starting to feel a lot like... the old days

Angus Leslie Melville

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What a curious thing to say: "It's starting to feel a lot like the old days." However, this was said to me just last night by an infrastructure banker at a gathering of like-minded infra/energy types at a local hostelry.

It is with some degree of pride (tinged with Presbyterian guilt) that I admit to having been out-out (not just out, properly out on the town) twice this week with old chums from the infrastructure community – Monday and Thursday night.

Almost 2 years since going into lockdown, having isolated (don't say self-isolate as the "self" is entirely redundant) early as a colleague contracted coronavirus and had the good grace to sit within particulate distance.



How well NT and I recall high fiving the jolly turn of fate that we would have an extra week working from home because this was all going to be done-and-dusted (kippers and custard) in a couple of months.

Music to our ears as – frankly – we were both knackered from too many hours in the office on top of 75-minute commutes (each way) from East Sheen, added to a travel agenda that was going to leave a Santa-size carbon footprint on 2020.

Little did we realise just how exhausting it would be working from home – living at work, as it turned out – or how much we would yearn for the company of others as NT cut eyes at me from the sofa, her aggressively-guarded Lebensraum in the living room.

But that's all changed in London as Plan B winds up and we rip off masks, celebrating the returned freedom to rank the severity of gingivitis on fellow public transport users.

Anyhow, there we were in one of south west London's finest establishments sharing an evening with infrastructure and energy professionals and the admission of having been out on Monday night in Richmond until silly o'clock – ending up in the far-from-salubrious Be@One – elicited gasps of admiration.

To be out-out "on a Monday night... in January" after all we've been through over the past couple of years was charmingly labelled "bonkers", swiftly followed by the suggestion that it was starting to feel like "the old days".

But what's being said?

We've all been starved of human contact and many these days fear we're losing the art of "in-person communication". How bizarre that this phrase exists. It's not so long ago that meeting people and talking over the phone was the only way to communicate... unless cracking out the quill and sending a letter by snail mail.

A lot of folk across the infra industry (and in journalism) are genuinely concerned for those who are starting their careers as (please excuse this sweeping statement) a lot of people who enter the workplace these days seem only capable of

communicating by keyboard.

One thing that really struck a chord last night was discussing the hand-over of PPP assets which was prompted by a non-related discussion that turned into something of a hair-off.

Most of the people last night are in their 40s, settling comfortably in the early 50s and a few at the upper end of the 50s (it's a part of London where youngsters don't want to live!) – and the focus turned to shades-of-grey (hair), receding into minimalism.

This led on to PPP transactions – many of us having been involved or observing throughout the full cycle of a project life – and the impending return to public ownership.

It was also prompted by recycling a comment from Monday night in which it was opined that equity stakes on a lot of UK PPP projects will change hands in the near future as the owners recognise they are not best placed to manage transition of the assets.

This struck me as interesting as it will prompt a deluge of activity in the (already overheated) M&A sector as the “right type of organisation” takes on projects in their final years, readying them for return in the same state as Day 1.

For those who have been wondering what the UK's IPA is up to – beyond the rather impressive work it put into the Libor transition for PPP projects – this is where it will hopefully prove its worth once again.

However, as it stands, my sources say that the consistent message is that IPA guidance does not take into account that it involves the handback of an asset based on requirements laid down some 30 years ago.

A lot has changed since then – from ESG through to technology – and this handback process is going to take a different type of partnership between the public and private sector... and that's going to take a meeting of 2 very different sets of minds to get a solution that works for all.

IPA guidance sets out a requirement to survey the asset 7 years in advance of handback, but that's not the right way to get a solution that makes everyone happy... according to sources (not in the IPA!).

One source says this week: “If the public sector asked for a well-maintained VHS video recorder 30 years ago, we can give them that. It will look sparkling, but it'll be totally useless! A USB stick will be kinder to the environment and probably cheaper. Can we focus on that, rather than whatever Condition B means?”

The source adds: “If those talks fail, then – by all means – go for a full-blown survey and disputes which will likely follow. The IPA-proposed scope to the survey is also divisive and not being unilaterally accepted.”

Oh my, what a can of worms we're looking at, checking the expiry date and eyeing the tin-opener in readiness for popping the lid.

As one source quips: “Some of us were on these assets from the very beginning and it's ludicrous to revert back to that exact day as a reference point for a project all these years later. There still remains enough time and money to look at lifecycle funds and spend wisely with ESG in mind. Let's try to do that.”

Which rather puts one in mind of the inflexibility of PPP projects and numerous conflicts over the years like Wembley Stadium where the out-dated carpets could not be changed because they would not accept any alteration to what had been agreed all those years before work started. The end result was that HM the Queen had the delight of waiting in a room that had all the charm of a seedy 1980s disco. There was also the hospital where technology had improved and meant a 1 metre thick wall was no longer required for the x-ray room... but the authority refused to slim it down, even though it gave them more room... because that's what they were paying for. Oh so many – too many to recall them all.

Goodness, it's amazing what you talk about when you meet people “in person”... right down to the chap last night who took 4 days off to welcome his new puppy into the home.

He had the good grace to look shame-faced when he admitted he took less time off work for his own children's births!

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