**IBUILD Stakeholders meeting 12 Nov**

**Workshop Session C: 13:00-14:30**

**Overcoming obstacles to valuation and financing of local infrastructure provision**

**Purpose**

ToEngage with Local Authority, LEP and HM Treasury/IUK and finance sector partners in dialogue on valuation and financing of local infrastructure

* Bring examples of successes and challenges in valuing and financing local infrastructure projects (past, present, upcoming)
* Shape future IBUILD research on financing local infrastructure

**Format**

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| **Who** | **Title/focus** |
| Andy Brown | Welcome, introduction to IBUILD and session |
| David Penhallurick | IUK |
| Tom Knowland and Simon Brereton, Leeds City Council  | Infrastructure ‘wish’ list for the City & key valuation financing obstacle; Example of successful investment: District Heating Networks and financing challenges |
| Mike Shimwell, KPMG | Finance case 1 : Pension Funds Perspective |
| Toby Buscombe, Mercers International | Finance case 2 : Effective Investing Considerations For Institutions |
| Discussion & feedback (5) | Obstacles, opportunities, future research, stakeholder engagement |

**Notes:**

Key Issues

* FUNDING does not equal FINANCE
* SCALE: Gap between small local infrastructure and large finance needs
* INVESTING in EXISTING INFRASTRUCTURE vs FUTURE (aversion of UK IIs to construction projects & the herding instinct of FMs)
* TIMEFRAMES and LIQUIDITY preferences
* Accommodating difference in PUBLIC (social and environmental) vs PRIVATE Objectives. Can pension funds balance between financial and social returns?
* SELECTING the right FUNDING/FINANCE option/model (ref Business models presentation)
* COMPLEXITY – different institutional (pension funds) with different needs and differences between different infrastructure
* Where should SECURITISATION come? Would this be welcomed by funds?
* Changing ROLES of key stakeholders (i.e. Local Authorities/LEPs)

Possible Solutions

* Packaging of INVESTMENT Opportunities
* Scope for BUNDLING opportunities?
* Value of packaging THE NORTH (vs London centric) investment opportunities (how local is local?)
* PARTNERSHIPs between procurers and investors
* PPP TEMPLATES (to mitigate high transaction costs) – or is there value in bespoke? Does due diligence necessitate bespoke.
* Potential for a co-ordinating body to bridge the gap (ENABLING ORGANISATIONS ref Seema’s presentation) to…
* GOVERNANCE (vs government)
* TAXATION