

PART 2 – CONFIDENTIAL FACTS AND ADVICE

MD2532

Title: Silvertown Tunnel: Transfer of Transport for London's Functions

Information may have to be disclosed in the event of a request under the Freedom of Information Act 2000. In the event of a request for confidential facts and advice, please consult the Information Governance team for advice.

This information is not suitable for publication because:

A review of the Part 2 MD is to be deferred as the disclosure of the financial information contained herein would prejudice the commercial interests of the members of the Riverlinx consortium as it reveals details of their financing package which would be of interest and value to their competitors.

Date at which Part 2 will cease to be sensitive or when this information should be reviewed with a view to publication:

Review on 1 November 2020

Legal adviser recommendation on the grounds for not publishing information at this time:

In the event of any request for access to the information contained in this document under section 1 of the Freedom of Information Act 2000 ("the Act"), it is considered that access may be denied on the basis that the disclosure of such information would prejudice the commercial interests of the members of the Riverlinx consortium as it reveals details of their financing package which would be of interest and value to their competitors. To this end, the exemption from release of the information set out in Part 2 of this report is covered by section 43 of the Act.

Section 1 of the Act creates the general right of access, which provides that any person making a request for information to a public authority is entitled:

- to be informed in writing by the public authority whether it holds information of the description specified in the request; and
- if that be the case, to have that information communicated to him/her.

Part II of the Act contains a number of exemptions from disclosure for certain classes of information. In particular, section 43 of the Act provides that information is exempt information, if its disclosure under the Act would, or would be likely to, prejudice the commercial interests of any person (including the public authority holding it). In the instant case, the information in Part 2 of this MD comprises details of the financing package put together by the members of the Riverlinx consortium which would be of interest and value to its competitors. If this information were to be published, it would be

prejudicial to the members of the Riverlinx consortium as it would give their competitors information about how they put together financing packages of this type.

It should be noted that the section 43 exemption is a qualified exemption and, accordingly, its valid use is subject to a public interest assessment.

Public Interest Assessment

On balance it is considered that the public interest is best served, if the information not be disclosed at this point. As noted above, disclosure by the GLA could have a detrimental effect on the commercial interests of the members of the Riverlinx consortium.

For this reason, it is considered that the information in this Part 2 is exempt from publication in reliance upon the exclusions contained in section 43(2) (commercial interests) of the Freedom of Information Act and because the public interest in withholding the information outweighs the public interest in releasing it.

This decision will be reviewed on 1 November 2020.

Name: Charles Ritchie

Date: 03.10.19

Once this form is fully authorised, it should be circulated with Part 1.

Decision and/or advice:

Clearly set out the decision or sensitive advice which is not suitable for publication.

1. DESCRIPTION OF THE CONSORTIUM AND FUNDING FOR RIVERLINX

- 1.1 This section provides financial information about the special purpose vehicle Riverlinx Limited ("Riverlinx") and the member of the Riverlinx consortium to demonstrate that Riverlinx will have sufficient resources to discharge all compensation liabilities arising from the Relevant Functions (i.e. those that relate to compulsory acquisition or temporary possession).
- 1.2 The table below sets out the member entities of Riverlinx ("the Sponsors") and the proposed shareholding each member entity will take in the SPV.

Riverlinx consortium member entity	Proposed shareholding in Riverlinx
Cintra Global SE	22.5%
Macquarie Corporate Holdings Pty Limited	22.5%
Aberdeen European Infrastructure GP III Limited	22.5%

BAM PPP PGGM Infrastructure Cooperatie U.A	22.5%
SK Engineering & Construction Ltd.	10%

- 1.3 Riverlinx will have access to a total of £1,218 million in capital. The Sponsors have arranged a financing package across a number of financial institutions which are to supply £1,110 million in debt. The Sponsors will be supplying a total of £108 million in equity through a combination of shareholder loans and pinpoint equity subscriptions.
- 1.4 It should be noted that putting in place the financing package described above is a condition precedent of the transfer provisions in the Project Agreement taking effect. As such, there is a certainty that before Riverlinx is able to exercise the Relevant Functions, it will have the necessary funding in place.
- 1.5 In light of this, TfL's view is that the Sponsors' commitment to provide the capital described above to Riverlinx will mean that Riverlinx will comfortably have sufficient resources available to it to discharge the limited compensation liabilities associated with the 'compulsory acquisition or temporary possession functions' under the Silvertown Tunnel Order 2018 which are proposed to be transferred to it.