



**COLLABORATION  
IN ACTION**

**“The scale and complexity of the project is still an eye-opener on an almost daily basis, and since we appointed Burges Salmon there has been a sense of partnership and collaboration, with them playing a key role in our core team.”**

**DYLAN WILLIAMS, HEAD OF REGULATION & ECONOMIC DEVELOPMENT AT THE ISLE OF ANGLESEY COUNCIL**

---

## COLLABORATION IN ACTION

Foreword	4
Transport for Wales	6
Mayo Clinic	8
Ecclesiastical	10
AEG / Crosstree	12
The Crown Estate	14
Downing LLP	16
Wales Pension Partnership	18
What they say about us	20
Anglesey Council	22
SCISYS	24
Greater London Authority	26
Octopus	28
Innovate UK	30
Bristol Pride	32
Our year in numbers	34



## LEADERSHIP

Welcome to the 2018 edition of Insight, our annual report, in which we are pleased to once again highlight our firm-wide commitment to collaboration.

**Collaboration is not only one of our core values, it is also a key differentiator in terms of our strategic approach.** We truly believe that the way we work in partnership with our colleagues, our clients and our community sets us apart and helps to deepen and strengthen all of those relationships.

Over the following pages, you will find multiple examples of this collaboration in action, demonstrating how we deliver positive outcomes for those we work with, which set the tone for some remarkable projects that we are proud to have been a part of.

As Senior Partner, I continue to drive forward our commitment to being a

Responsible Business, which means putting our clients, our people, our community and our environment at the heart of the firm. At our recent AGM, we reaffirmed our belief that the firm has a purpose beyond the legal transactions we handle on a daily basis and emphasised our wish to be part of an organisation that genuinely makes a positive contribution to society. This annual report highlights some examples where we have made a real difference on the projects we have been involved with, but there are a fantastic range of activities currently being undertaken across Burges Salmon to promote social mobility, diversity and inclusion, wellbeing and environmental sustainability often

in partnership with local community groups and charities as well as other UK and international organisations.

This report also highlights some of the international work we are involved in and we continue to deepen our relationships with our Preferred Firm Network of independent law firms for the benefit of our UK and overseas clients.

Finally, I would like to take this opportunity to thank our clients for their continued support and all of our people for their commitment to making Burges Salmon the special law firm that it is today.

**Chris Seaton, Senior Partner**

**I am now well into my first year as the firm's Managing Partner, following Peter Morris' successful eight year tenure in this role.** I have been with Burges Salmon for 24 years, previously as Head of our Employment practice, and I am very proud to be the first Managing Partner to have trained with the firm. To operate effectively in this role requires close working relationships with our clients, our business services professionals, our lawyers, our suppliers and our contractors. Working collaboratively with this diverse group of stakeholders has been one of the highlights of the transition into my new role.

Reflecting on the past year for the business, the UK market remained volatile in light of Brexit uncertainty but we were able to continue to grow the firm through our focus on our clients and other stakeholders. It is rewarding to note that the quality of the clients we are working with, and the scale

and the complexity of the projects we are engaged in, continues to impress, as illustrated in the articles that follow. This success is undoubtedly the result of our commitment to collaboration with clients and our ability to deploy our deep legal expertise effectively and commercially.

We continue to invest in our business, to drive innovation across our service offering, to support our people and to combine the skills of our lawyers and our business services professionals for the benefit of our clients. We are also investing in legal service delivery

and client relationship management technologies to enhance that collaboration still further. We welcome the opportunity to support our clients' aims and ambitions, and we can only do this by working alongside our clients on their milestone projects.

I hope you enjoy reading about some of this work over the last 12 months, demonstrating how teams from across the firm have successfully collaborated with our clients to deliver truly transformational projects, and we look forward to working with you in 2019.

**Roger Bull, Managing Partner**

**“We are pleased to once again highlight our firm-wide commitment to collaboration.”**

**ROGER BULL, MANAGING PARTNER AT BURGESS SALMON**



## A LANDMARK MOMENT

The largest public procurement ever undertaken by Welsh Ministers

**In October 2018, the Welsh Government took control of Wales and Borders rail services for the first time, with Transport for Wales assuming responsibility for the £5 billion rail franchise and promising to transform rail travel in Wales over the next 15 years.**

The deal, described by First Minister Carwyn Jones as a “landmark moment in the future development of Wales,” was the result of four years’ hard work by Welsh Ministers, with a Burges Salmon team led by partner Brioney Thomas involved throughout. The new operator, KeolisAmey, was appointed in September last year, and immediately announced that 95% of

journeys would be on new trains within five years, and an extra 600 staff would be recruited. Four new Cardiff light rail stations are also planned as part of the South Wales Metro.

Brioney and her team, who are nationally-recognised specialists in the highly-regulated rail industry, were first brought in to advise Welsh Ministers as they sought to have certain rail franchising powers devolved to them from the Secretary of State for Transport. This required negotiation with Westminster and led to the creation of a new critical framework, granting the Welsh Government the powers to carry out the procurement of a new operator

and setting out how it would move forward in compliance with complex EU law in this field.

The Burges Salmon team also developed a novel vertically-integrated arrangement whereby the operator, rather than Network Rail, would be responsible for the condition of the network infrastructure. This required an innovative transfer of Network Rail-owned track and assets to Welsh Ministers.

Then came the procurement process to identify an operator and development partner to deliver the rail services and transform the core rail infrastructure across the country.

Brioney says: “This was a hugely important project for Wales, because for the first time they were able to award a rail franchise for themselves, which meant working out what the rail requirements really should be for the country in the future. Their approach was always ambitious and forward-thinking so as well as a new service provider, they also sought the opportunity to upgrade the infrastructure, increase the frequency of trains and provide Metro-style services to Cardiff from the valleys. There are huge socio-economic benefits that come with that.”

The team from Burges Salmon advised Transport for Wales and Ministers on all aspects of the project from start to finish including rail regulations, real estate, pensions, employment, health and safety, environment and construction issues. The firm also used its public and private sector

experience to anticipate and deal with stakeholder issues, and worked to address the various political uncertainties associated with a project of this kind, from the impact of elections through to the impact of Brexit on European funding.

The Welsh Government’s Economy, Infrastructure and Skills Committee described the project as ‘heroically ambitious’, and it had to be delivered in a completely different way to all previous rail operator procurements. Thanks to Burges Salmon’s deep involvement in the UK rail market since privatisation, it was able to provide invaluable support and advice to the client.

Alexia Course, Director of Rail Operations at Transport for Wales, says: “Burges Salmon was in the room with us throughout many of these negotiations, giving us advice quickly and providing that joined-up cohesive

**“It has been a hugely positive experience working with the firm.”**

**ALEXIA COURSE,  
DIRECTOR OF RAIL OPERATIONS  
AT TRANSPORT FOR WALES**

support. We spent a great deal of time with their team in Bristol, Cardiff and London, and they were always on the end of the ‘phone when we needed them. It has been a hugely positive experience working with the firm and we continue to work with them post-mobilisation on the longer-term asset transfers.”



## FROM VISION TO REALITY

Getting a state-of-the-art clinic to operate

**In 2017, three world-leading medical science organisations came together to help patients and drive forward healthcare innovation through a unique joint venture, and they needed a lot more from Burges Salmon than just legal advice to get up and running.**

The University of Oxford, Oxford University Hospitals NHS Foundation Trust and US healthcare leader Mayo Clinic entered into a one-of-a-kind collaboration to work on research, teaching and clinical care and make advances in medicine. Burges Salmon was on hand to advise the University of Oxford, first on its joint venture

with its local NHS hospital and then on their joint partnership with Mayo.

It quickly became apparent that the ambitious plans of the three organisations to secure space in London, and set up a shared clinic, required support beyond the usual remit of a law firm. Led by the head of Burges Salmon's Corporate and Financial Institutions team, Chris Godfrey, the firm assisted with the formation of an independent business subsidiary to operate the clinic, which will provide screening and diagnostics services to the private healthcare market. The firm also put in place the necessary arrangements for financial

surpluses from the clinic to be used to help advance clinical education and NHS patient care, and fund research.

In addition, the firm's Business Solutions team, led by Rachel Roberts, went a step further to provide invaluable project management support to get the new clinic off the ground.

Rachel recalls: "As the joint venture was formed and the documents were signed, it became apparent that the client needed further support to move through to the delivery stage. We saw the need and started to play a role to tie everything together on the UK side."

She adds: "Our role moved from forming the joint venture to project managing the opening of the new business, which meant everything from putting in place the corporate governance structure to enable the clinic to register with the Care Quality Commission through to establishing the route to market for the new business."

All the while, the ability of the firm's Business Solutions team to collaborate with colleagues within Burges Salmon meant any legal issues could be quickly dealt with, whether they related to intellectual property queries or regulatory issues around interactions with the Care Quality Commission.

John Osborn is Operations Administrator at Mayo Clinic, where he leads the global healthcare consulting and advisory program and coordinates strategy for Canada and Western Europe. "I really got

to know Chris and his team across the negotiating table and their real strong value became apparent as we were doing due diligence around the business plan. The team in Oxford recognised that there was going to be a lot of work to be done in project management and that's when the Burges Salmon Business Solutions team stepped up."

He adds: "My team knows how to run clinics and open clinics, but we don't start businesses so having someone on the project implementation side who knew what had to be accomplished in corporate governance, finance, HR and all the other things we take for granted in a mature business was great."

Chris says the firm's Business Solutions team added huge value as a management resource to all involved, bringing innovative project management service provision

**"It's a different way of thinking about the capabilities that a law firm can bring."**

**JOHN OSBORN, OPERATIONS ADMINISTRATOR AT MAYO CLINIC**

and using technology to enhance information flows and strengthen collaboration.

John concludes: "It's a different way of thinking about the capabilities that a law firm can bring. Chris and his team know from a legal perspective all the things that need to be in place, and being able to combine that with the operations side to create the operational structures that enable it is really very useful."



## NO ORDINARY BUSINESS

A financial services client with a difference

**Ecclesiastical is no ordinary insurance and financial services business. It was set up 130 years ago to be a very different kind of organisation and is the only financial services group that exists to give its profits to charity.** It is one of the UK's top five corporate donors and has a target to give £100 million to good causes.

A unique company like this one needs something special from its legal advisers and in 2014 Ecclesiastical decided it needed to strengthen its relationships with its external lawyers. The business has three main divisions – insurance, brokerage and financial services – and each frequently requires specialist input.

Samantha Belsey, Legal Counsel at Ecclesiastical, remembers the day she met with Kari McCormick, who leads Burges Salmon's Financial Services sector group: "We approached a number of firms and when I met with Kari and some of the other partners, I really liked the offering," says Samantha. "There were immediately clear synergies in their approach to corporate social responsibility and charitable giving, which married up with how we approach things."

There was appetite on both sides to build a collaborative relationship that would be both efficient and powerful, and Burges Salmon proposed providing legal support to Ecclesiastical via a virtual secondment.

The client effectively has access to a Burges Salmon lawyer as part of its in-house legal team but that lawyer is based in the firm's offices and is not in fact one person, but whoever is most suitable for the task at hand.

"We began the virtual secondment two years ago, to support us with a range of legal needs," says Samantha. "We really wanted a firm that would take the time to get to know us and share our values and where we could get the right expertise on demand when we needed it."

In addition to a strong relationship with Kari, Samantha also works closely with Anna Davis, an associate

in the firm's Financial Services team who serves as relationship manager. Anna acts as a point person for Ecclesiastical and ensures the most appropriate lawyers are on hand when needed. Anna's compliance and in-house background before becoming a lawyer also makes her invaluable to clients like Ecclesiastical.

Kari says: "We see ourselves as an extension of their legal team. Because of the breadth of their business, they need access to a broader range of skills. The work we help Ecclesiastical with includes commercial contracts, regulatory advice, employment, real estate support, corporate work and policy wordings."

She adds: "For the arrangement to work properly and be cost effective, it's really important to use people from the firm who understand Ecclesiastical's business and know how they like to work. We have the

benefit of getting to see what crosses the desk of an in-house lawyer and that gives us insights that are valuable to all our clients."

Samantha concludes: "The firm really takes the time to understand our desired outcomes and how we differ from other financial services companies. They are also really focused on their own local

community and that stood out to us. A lot of law firms do CSR to look good but we exist for a charitable purpose and we want to work with a law firm that wants to make a difference and takes it seriously. Burges Salmon works in the community, shares skills, does pro bono and looks to reduce its environmental impact – that really strikes a chord with us."

**"The firm really takes the time to understand our desired outcomes and how we differ from other financial services companies."**

**SAMANTHA BELSEY, LEGAL COUNSEL  
AT ECCLESIASTICAL**



## A RETAIL DESTINATION

Bringing a retail destination to The O2 Arena

**Some 265,000 people attended the ATP world tennis finals at The O2 in London during November 2017, and not one of them was aware of the construction project going on around them in the entertainment complex.**

Fast forward a year and a new 210,000 sq ft urban outlet centre opened its doors at The O2, bringing retail to the leisure destination for the first time. The Icon Outlet is home to brands like Ted Baker, Calvin Klein and Hackett, and will boast 80 stores, thanks to a collaborative Joint Venture (JV) between Crosstree Real Estate Partners and AEG.

AEG redeveloped the original Millennium Dome site opening The O2 back in 2007, and has long been working on a plan to develop a retail destination around The O2 Arena, with Burges Salmon as the company's long-term construction adviser.

In 2015, AEG signed the JV with Crosstree and the JV appointed the Burges Salmon team led by partner Marcus Harling to advise on the project.

"This development project was hugely exciting for us," says Sarah McGuigan, Chief Legal and Development Officer at AEG Europe. "This is the world's most popular music and entertainment venue, with

nine million customers visiting each year, and since we opened the doors in 2007 we have had this area of undeveloped land that had yet to find its full potential."

She explains that Marcus and his team played a key role: "Having worked with Burges Salmon for many years on the construction side, it was hugely important for us to work with Marcus and the team, because they know us well and they know the building – a busy and unique site. We involved Marcus from the outset of the project, and his advice shaped our approach to the building contract tendering process and the building contract itself."

At the same time as the retail development, The O2 was also undertaking a 50,000 sq ft cinema extension and construction of a 30,000 sq ft trampoline park, alongside running a packed schedule of regular events.

Marcus says: "It is a pretty complicated site, because The O2 sits above the Blackwall Tunnel, which brings up an interface with Transport for London. The Arena continued as an operating events venue all the way through and required that there be no disruption at all on event days."

The Burges Salmon team also worked on the construction side of the borrowing arrangements with Lloyds Bank Commercial Banking, which extended a £185 million facility to partly finance the development. At that point in time, that was Lloyds' largest post-crash real estate funding: "That was a mission-critical task,"

recalls Marcus, "to bring the funder along with the direction of travel of the project."

Sarah concludes: "One of the things I always enjoy about working with Burges Salmon is the team's commercial, very pragmatic approach. We were able to pass through those negotiations with lenders and contractors in a way that maintained the good working relationships that were so vital to getting the project through to completion."

**"One of the things I always enjoy about working with Burges Salmon is the team's commercial, very pragmatic approach."**

**SARAH MCGUIGAN, CHIEF LEGAL AND DEVELOPMENT OFFICER AT AEG EUROPE**

The new retail development will add another layer to The O2 experience, encouraging concert-goers and sports fans to spend longer at The O2 and boosting footfall during the day before evening events. Phase two of the development will add further retail stores, bars and restaurants and the extended Cineworld cinema, and will open in 2019.

## SIGNIFICANT PROPERTY DISPOSAL

Executing a swift and smooth portfolio sale

**When The Crown Estate took the decision to dispose of a significant portfolio of properties, it was Burges Salmon partner Emma Folkes who got the call to assist.**

Emma has worked with The Crown Estate, the commercial real estate business which returns 100% of its profits to HM Treasury for the benefit of the nation's finances, for many years, but this was no ordinary project, thanks to the number of properties involved and the short timescale over which it had to be completed.

What was required was not only expert property law advice, but also first-class project management to oversee many small transactions running concurrently.

Rob Booth, General Counsel and Company Secretary at The Crown Estate, says: "Getting this project right was really important to us, and it was absolutely critical that the work Burges Salmon did was done properly and done within the necessary timescales. The project comprised a lot of properties – which individually were not of substantial commercial value but as a portfolio, significant. Volumes such as this always make things trickier, because running the project requires tracking many individual properties through the process and keeping oversight of the status as a whole."

Emma was able to streamline the

process with the support of the firm's Business Services team, setting up a central online working platform that all parties to the project could access, allowing The Crown Estate's managing agents to upload relevant materials and to complete an online checklist for each property. An innovative system of document automation, supported by coding, allowed information to be extracted from the completed checklists to create bespoke documentation for each of the unique properties. The platform provided dashboard reporting and allowed Emma to update Rob and his team on a regular basis as to the exact status of the project.

"We hadn't done anything like this with Burges Salmon before," says Rob. "We normally work with Emma on much more bespoke one-off acquisitions and sales. The technology worked really well and that was down to Emma's careful consideration of what would be required at each stage."

Emma says: "The client had live visibility on progress and could see everything that was going on. We were able to ensure quality control and – when the time was right – produce an entire suite of documents to the buyer's solicitors, who could see all the information online and in one place."

Rob says: "Emma has worked with us for many years and she knows us extremely well. She's a really superb lawyer, but more than that, she brings this real thoughtfulness to a transaction that we really value.

**"Emma has worked with us for many years and she knows us extremely well. She's a really superb lawyer."**

**ROB BOOTH, GENERAL COUNSEL AND COMPANY SECRETARY AT THE CROWN ESTATE**

There was an in-depth understanding on the part of Burges Salmon that meant they were asking all the right questions of my asset management colleagues to extract the information that they needed. The firm put forward a proposed way of working to meet our specific objectives and executed extremely well."

Further enhancing the collaborative nature of this relationship, since completing the portfolio project,

Emma has spent four months on secondment to The Crown Estate to cover a sabbatical of one of the senior members of the legal team.

Emma says: "During my time working within the legal team, I learned a lot more about how we can do our job in a way that works best for The Crown Estate, constantly being aware of what matters most to them and how we can further deliver our service in a way that best speaks to their priorities."



# ARSENAL GOES TOP

One of the most prominent battery projects to complete

**Arsenal likes to be out in front, and its latest effort to lead the field saw it become one of the largest and most prominent organisations in the country to install a revolutionary 3MW behind-the-meter battery solution for Emirates Stadium.**

The 3MW/3.7MWh battery storage solution, one of the largest at any sports ground in the world and the first at a UK football club, will bring Arsenal immediate benefits, cutting electricity bills and earning money by supporting a low-carbon grid.

Burges Salmon, as one of the market leaders in energy, fielded a team led

by partner Ross Fairley and advised the funders, Downing LLP, and the project developer, Pivot Power, on all aspects of the project. The firm also worked with the other key stakeholders in the project to bring it to a successful close. These stakeholders included Arsenal and Octopus Energy – Arsenal’s electricity supplier.

The project is one of the most prominent behind-the-meter battery projects to complete; these projects aim to reduce the energy costs of host companies and Burges Salmon was a natural fit to advise because of its wide experience in energy storage and helping companies manage their energy and utility supplies.

Mehal Shah, Investment Manager at Downing LLP, says: “This transaction was complicated not least because of the regulatory uncertainty and challenging market conditions. Burges Salmon played a key role as we adapted the business model. Ross and his team brought insights and financial nous to the table, with a strength in depth of knowledge not only at partner level but across the board. They brought everyone together nicely for a complex deal.”

Given the prominence of the location at the world-famous Emirates Stadium, work had to be done to overcome the understandable concerns of the football club to

protect the site and avoid disruption. In the end, the project also had to be closed to a tight timetable due to Arsenal’s 2018/19 campaign.

Ross says: “The biggest challenge for behind-the-meter storage is that, although battery storage is well understood, the host company has to be persuaded that it is going to work for them and not interfere with their day-to-day operations. So, assurances had to be given that it would work properly and ensure there was minimum disruption when people were on site for installation. There were quite a lot of learning exercises to go through to get everyone comfortable.”

Baringa Partners completed the line-up of parties working together to get the deal done, acting as advisers on the commercial model, and Open Energi will be supporting the management of the battery.

“One of the key things with battery storage projects is understanding the energy markets, power contracts and revenues,” says Ross. “We worked alongside Pivot Power, Downing and their energy consultancy,

Baringa Partners, and there was no duplication – everyone respected each other’s knowledge, with the goal of producing something that worked for Arsenal, its stadium and our client.”

**“Ross and his team brought insights and financial nous to the table, with a strength in depth of knowledge not only at partner level but across the board.”**

**MEHAL SHAH,  
INVESTMENT MANAGER  
AT DOWNING LLP**



## WELSH PENSIONS

Welsh councils lead pensions revolution

**There are currently 88 local government pension funds in the UK, all employing their own investment managers and working hard to meet their obligations to pensioners.** Between them they manage about £250 billion, but the disparate nature of the way they are organised can limit the buying power of individual schemes and means there is a lot of duplication of effort.

That is why the government decided in 2015 to try and reduce investment costs by getting the funds to combine their assets into larger investment pools. The plan to create eight regional funds across England and Wales, each with aggregate assets under

management ranging from c.£15 to £35 billion, should not only create efficiencies and economies of scale but will also mean the funds will in time have the capacity to become much bigger investors in UK infrastructure, and help the economy grow.

In late 2016, Burges Salmon was appointed to work with the Wales Pension Partnership (WPP) – which brings together the assets of the eight council funds based in Wales – to assist in getting its investment pool off the ground. At the start of 2018, after a rigorous procurement process, WPP broke new ground in becoming the first pool to appoint an external operator to establish and run

its collective investment vehicle for Welsh pensioners.

Burges Salmon's cross-firm team was led by Funds and Financial Regulation partner Tom Dunn. The mandate required the firm to provide a joined-up team that included expertise in FCA regulated funds, tax, public sector procurement and local government, and it had to deliver for the client against the clock: advising on the governance arrangements, building the complex procurement specifications, advising on the process and evaluation criteria, finalising the legal agreement with the operator and advising on the FCA application.

Burges Salmon experts were always on hand in a complex procurement exercise that resulted in the appointment of Link Fund Solutions to establish and operate a tax-transparent FCA-authorized UK collective investment vehicle to facilitate the pooling.

"The governance arrangements between the eight authorities, and how they would work together on a practical basis, were very important," says Tom. "So were the agreements on how decisions would be made and the committees that needed to be set up. This is a novel area for public procurement, involving FCA-authorized vehicles, so we had to be careful about going through the right procedures."

It was agreed that the investment vehicle would have sub-funds in a range of asset classes, to meet the needs of the different investing authorities and enable them to

**"Burges Salmon was instrumental in the procurement exercise for the appointment of Link as the operator for the Wales Pension Partnership."**

**ANTHONY PARNELL, TREASURY AND PENSION INVESTMENTS MANAGER AT CARMARTHENSHIRE COUNTY COUNCIL**

continue to execute their own asset allocation strategies. Link will also appoint a number of investment management firms, but the funds will retain full control over strategic asset allocation decisions.

Anthony Parnell, Treasury and Pension Investments Manager at Carmarthenshire County Council (the host authority), comments: "Burges Salmon was instrumental in the procurement exercise for the appointment of Link as the operator for the Wales Pension Partnership. We

would like to thank them, on behalf of all eight funds, for their expertise and professionalism during the challenging timetable that was given to them."

Tom and his team continue to work closely with the councils on the next stage, which will see the addition of new sub-funds, the establishment of new structures for illiquid assets, and ultimately delivering the pooling benefits including significant fee savings for the benefit of public sector pensioners.

**“The team in Oxford recognised that there was going to be a lot of work to be done in project management and that’s when the Burges Salmon Business Solutions team stepped up.”**

JOHN OSBORN, OPERATIONS ADMINISTRATOR  
AT MAYO CLINIC

---

**“Burges Salmon works in the community, shares skills, does pro bono and looks to reduce its environmental impact – that really strikes a chord with us.”**

SAMANTHA BELSEY, LEGAL COUNSEL  
AT ECCLESIASTICAL

---

**“There’s mutual respect, mutual trust, and a mutual understanding of the outcomes we are trying to achieve; a relationship we can all be proud of.”**

DYLAN WILLIAMS, HEAD OF REGULATION & ECONOMIC  
DEVELOPMENT AT ANGLESEY COUNCIL

---

**“We chose to work with Burges Salmon because of the firm’s ability to advise on these complex, urban, mixed-use propositions.”**

WIL STEWART, PRINCIPAL DEVELOPMENT MANAGER  
AT THE GREATER LONDON AUTHORITY

---



## NUCLEAR INVESTMENT

One of the biggest inward investment projects the UK has ever seen

For more than a decade Dylan Williams, Head of Regulation & Economic Development at the Isle of Anglesey Council, has been directly involved with plans for a new nuclear power station on the island where he was born and raised. Responsible for leading and co-ordinating the council's statutory planning responsibilities, he has found himself driving forward plans for the biggest inward investment project the UK has ever seen, and one of the most complex planning applications ever made. The stakes are high for the local host community.

Horizon Nuclear Power, which is fully owned by Hitachi Ltd. in Japan,

is hoping to build two advanced boiling water nuclear reactors on the site adjacent to the former Magnox power station on the island of Anglesey, North Wales. An application was submitted in June 2018 to the Planning Inspectorate and is now in the examination stage: if consent is secured – in 2019 – it will take eight years to build the power station, cost more than £15 billion, and require up to 9,000 workers at peak construction.

"I consider it a privilege to work on this," says Dylan. "Not many people have the opportunity that my colleagues and I have to shape the future of the island. There's

widespread support locally for the development, because of the supply chain and economic benefits it will bring for the youngsters, allowing them to stay and enjoy long prosperous lives here. At the moment, there is significant outward migration and if that continues for two further generations, that will become a serious issue. This project is of fundamental importance to what sort of island Anglesey will be for future generations. Despite this, there is also concern and some opposition."

A Burges Salmon team led by partner Gary Soloman was appointed in 2011. "It was probably seven years ago that we first understood the magnitude

of what we were dealing with," says Dylan. "The scale and complexity of the project is still an eye-opener on an almost daily basis and since we appointed Burges Salmon, there has been a sense of partnership and collaboration with them playing a key role in our core team."

Gary and his colleagues have visited Anglesey on a weekly basis and Dylan says he and colleagues speak with members of the firm most days, which has helped develop a strong collaborative team approach through the commitment to regular visits.

Gary says: "This is a once-in-a-generation opportunity to transform the island of Anglesey, which currently faces a number of socio-economic challenges. We have been working with the council on all aspects of the project, from assisting with its strategic advice to drafting and negotiating the legal agreements needed to deliver

the appropriate enhancements and protections for the local environment and community."

These have included efforts to manage and reduce the potential impacts on local tourism, housing,

education and training, as well as the labour market, highways, the environment, the ecology and the landscape. Protecting the Welsh language and ensuring the construction workers can be housed during the building phase with minimum long-term disruption have also been critical issues.

"It's already been a long journey," says Dylan, "and I have to remind myself that we are actually now in the formal examination stage. We've made great progress and Burges Salmon has been there throughout – it's been professional and enjoyable to work with. There's mutual respect, mutual trust, and a mutual understanding of the outcomes we are trying to achieve; a relationship we can all be proud of."

**"Since we appointed Burges Salmon there has been a sense of partnership and collaboration."**

**DYLAN WILLIAMS,  
HEAD OF REGULATION &  
ECONOMIC DEVELOPMENT AT  
ANGLESEY COUNCIL**



## LEAVING SPACE FOR BREXIT

Restructuring to introduce a new parent company incorporated in Ireland

**Hardly an organisation in the UK did not spend 2018 weighing up the implications of Brexit for its business and Burges Salmon has been working with its clients to consider mitigation strategies.**

In the Autumn of 2017, Burges Salmon Corporate Finance partner Rupert Weston received a call from the directors of the software company SCISYS. AIM listed SCISYS has been a client of the firm since the mid 1980s and Rupert, who has been working with the business for well over a decade, joined the working group to discuss the impact of Brexit. This is of particular importance to

SCISYS given its participation in important EU-funded contracts in the space sector. As a pan-European supplier of bespoke software systems and IT solutions to several industry sectors including space, government and defence, it was critical for SCISYS to identify a strategy to allow it to carry on working – post Brexit – with the European Space Agency and other EU agencies on projects like the Galileo satellite navigation programme.

Rupert says: “What was helpful in those initial discussions was that we had an insight into other industries who were having similar conversations

and facing similar issues. In that planning stage, being able to share those insights was helpful.”

Over many months, Rupert worked with the board to identify an approach that satisfied the participation requirements attached to the EU-funded work, as well as the demands of other stakeholders. The outcome was a decision to introduce a new parent company incorporated in Ireland and which retained both the group’s AIM listing and its UK tax residence. To facilitate investment in the group from across the EU, SCISYS also decided to seek a dual listing on Dublin’s Enterprise Securities Market.

While operating against a backdrop of uncertainty about the UK’s future relationship with Europe, the restructuring means SCISYS will be able to satisfy any applicable European Union residency requirements for EU-funded work. SCISYS has been involved in programmes like Galileo since the early system design phases, carrying out numerous EU-funded projects to establish the global network of sensor stations that monitor the signals sent from space satellites and uplink navigation data back to them.

The restructuring was implemented at the end of 2018 by means of a Court sanctioned scheme of arrangement.

“One of the complexities of this was managing a range of diverse stakeholder interests and aligning the approach to those interests with the requirements of the Court approval process,” continues Rupert.

Chris Cheetham, Finance Director at SCISYS, says: “This restructuring followed months of planning and analysis. Burges Salmon has been by our side throughout that process, working collaboratively with us and providing invaluable support and guidance.”

As Rupert explains: “One of the key challenges was the uncertainty as to the shape Brexit would take (or even

the potential for it not to go ahead), and to maintain sufficient flexibility to reflect those potential variables.”

SCISYS was one of the first companies in its sector to put tangible mitigation plans into action, but Burges Salmon continues to work closely with many other clients weighing up their own Brexit contingency options in other industries.

**“Burges Salmon has been by our side throughout that process, working collaboratively with us and providing invaluable support and guidance.”**

**CHRIS CHEETHAM,  
FINANCE DIRECTOR AT SCISYS**



## ALBERT ISLAND REGENERATION

Boatyard returns to the Thames with successful regeneration

**For decades, Albert Island has sat neglected just to the east of City Airport in London's Royal Docks, watching regeneration take place all around it.**

For the past 20 years, the Greater London Authority (GLA) and its predecessors have sought to bring trade and industry back to the area, and the western end of the Royal Docks is now a vibrant new community. But Albert Island – a 25-acre site owned by the Mayor of London – had been left behind, until now.

The GLA decided in 2015 to market the site and seek a developer, and in an innovative arrangement, Burges

Salmon was appointed alongside TfL Legal to jointly advise GLA as they worked to find a bidder. TfL Legal provides in-house legal services to the GLA, and the idea was that Burges Salmon would provide the external legal advice, working in partnership with them to bring additional resource – a collaborative team of six of our lawyers and four from TfL Legal set out to fully understand the GLA's objectives and design the procurement process.

The GLA wanted to find a partner for Albert Island that would deliver new commercial opportunities, create employment and improve transport connectivity in line with

the Royal Docks' history. But more than that, it wanted to build and open a new commercial boatyard for boats working on the Thames. The successful bidder would need to be locked into a commitment to deliver that boatyard.

Burges Salmon Real Estate partner Philip Beer worked closely with TfL Legal to divide up workstream responsibilities and run the project. Burges Salmon led on the procurement execution and negotiation of the development partner agreement, while TfL led on the vacant possession strategy.

Philip oversaw the project management and kept in close

contact with TfL Legal throughout, which managed the interactions with the GLA: "It was actually an extremely tricky project," says Philip. "The site had an enormous array of issues and was particularly complex from a legal perspective. But despite all those challenges, to get two very strong bidders come through was a great result and is testament to the expertise of the legal team as a whole."

Philip says: "The legal team on this project all worked to maximise efficiencies, so rather than doubling up on any work or costs, our priority was to genuinely act as one, collaborative team. This is a practical demonstration of how efficiently you can work if you really focus on project management."

In early 2018, London & Regional was announced as the successful bidder, with a plan for a £1 billion regeneration scheme. The new

boatyard promises to be a state-of-the-art centre, designed to service and repair riverboats on the Thames, creating a transport engineering hub and investing heavily in local education and training.

Wil Stewart, Principal Development Manager at the GLA, concludes: "We chose to work with Burges Salmon because of the firm's ability to advise on these complex, urban, mixed-use propositions. They are not simple developments to get

off the ground and Burges Salmon provided a thorough service. We worked with Philip, Drew Nesbitt and Marcus Harling, who were incredibly professional. Philip sat alongside us through a complex and challenging procurement process and it was important that we had someone who was clear, concise and understood our objectives. I felt like we were on a journey together as a client and as a legal adviser, rather than GLA just handing out instructions."

**"I felt like we were on a journey together as a client and as a legal adviser, rather than GLA just handing out instructions."**

**WIL STEWART, PRINCIPAL DEVELOPMENT MANAGER  
AT THE GREATER LONDON AUTHORITY**



## EV REVOLUTION

### Bringing electric vehicles to Heathrow

**Octopus Group is an alternative investment firm operating in tax-efficient investment, smaller company financing, renewable energy and healthcare, with an investment arm that has already invested billions in clean energy infrastructure.** This summer it added clean transport to its portfolio, agreeing a first-of-its-kind deal with Heathrow Airport to create what will be the UK's largest electric vehicle chauffeur fleet.

Burges Salmon has worked with Octopus over many years on a variety of clean energy projects, and helped make Octopus's vision of 'transport as a service' a reality. This particular

deal sees Octopus helping Heathrow and We Know Group (the operator of the fleet) simplify the process of going electric, by funding a fleet of up to 200 zero emission Jaguar I-Pace vehicles at the airport and charging the operating company on a pay-as-you-use basis.

Daniel Saunders, Investment Director at Octopus, says: "This is a really significant deal for us because no one has done anything like this before. This is the first time vehicles and infrastructure have been funded under a mechanism related to customer utilisation."

Octopus is financing the cost of the vehicles and then wrapping

that up in a pounds-per-mile cost for the company that it believes is comparable or cheaper than running a petrol or diesel fleet.

Instead of charging a traditional interest rate on a corporate line of credit, the business model charges a cost-per-mile based on utilisation in order to repay the loan.

"Burges Salmon clearly has a great track record in transport and in energy," says Daniel. "They were open to drafting what is a relatively bespoke contract and making it sufficiently simplistic even though its components are quite technical."

He adds: "Graham Soar, Ed Hobbs, Alison Logan and Ross Fairley worked

to get this done to a commercially-critical deadline, and exhibited a level of patience that was exemplary – with these types of deals there are never completely solid foundations and things changed as we progressed. Their ability to understand the business model and challenge it when they felt something was wrong was extremely useful in getting this transaction across the line."

As well as drafting complex and bespoke financing arrangements, the Burges Salmon team was also able to demonstrate its market-leading capabilities in the fast-moving electric vehicles sector.

Graham says: "We have been talking to Octopus about various EV projects over the past few months, and this was the first one they got up and running. It required an in-depth understanding of what they were trying to achieve because when

someone is doing something for the first time, they need you to be thinking alongside them to focus on their objectives and desired outcomes.

"Taking a concept from the drawing board and putting it into a business solution for a client, in a way that binds everyone and works for all the parties, requires a lot of thought and is extremely rewarding."

Despite tougher emissions standards and stricter road charging for petrol and diesel fleets, plus falling costs and ultra-low running costs for electric vehicles, the upfront price of converting a fleet to electric can be daunting for many businesses. Octopus promises to not only simplify that process, including the financing of the vehicles and the charging infrastructure and any grid network reinforcement required, but to do so at a reasonable cost with a neat charging structure.

"This deal proves what can be done," concludes Daniel, "and it is absolutely replicable – we're looking forward to rolling it out with more businesses going forward. The beauty of this proposition is that it can also be used for companies wishing to convert fleets to hydrogen or gas vehicles."

**"Burges Salmon clearly has a great track record in transport and in energy."**

**DANIEL SAUNDERS,  
INVESTMENT DIRECTOR  
AT OCTOPUS**



# TRANSFORMING UK INNOVATION

Making funding for innovation by small businesses a reality

**When the then Chancellor, George Osborne, announced plans three years ago to change funding for innovation by small businesses in the UK, his ideas created a raft of challenges for those tasked with making them a reality.**

Innovate UK, the government’s innovation agency, had only ever supported businesses with grants, but the shift to providing government-backed loans to support innovation close to market meant a whole new way of financing innovative ideas in UK-based micro, small or medium-sized enterprises with innovation projects that want to scale up and grow through innovation.

The goal was to make taxpayer funding work harder and go further, and the government initially put in £50 million for a pilot project to run over several years, during which Innovate UK would make loans of between £100,000 and £1 million to more than 80 UK businesses.

Nigel Walker, Head of Innovation Lending at Innovate UK, says: “We needed to demonstrate that we could implement innovation loans successfully and getting the fundamental underlying legal framework in place was critical.”

Burges Salmon Corporate team partner Nick Graves recalls meeting with Nigel and his colleagues Tim

Sawyer CBE, Chief Investment Officer, and Scott O’Brian, Head of Lending Operations and Risk, to discuss getting the project off the ground. A new company had to be created with the relevant permissions from government to oversee the assessment of applications and make sensible lending decisions.

Nigel says having access to the full weight of Burges Salmon was key to success: “The challenge was to come up with something completely new that no one in the UK had ever done before,” he says. “The fact that Burges Salmon has a very good understanding of the public sector context was

invaluable and when we spoke to Nick and John Houlden (head of the firm’s Public Sector group), we got access to the whole firm in a way that worked very well for us.”

Applications for loans were then welcomed to finance projects to develop new products, processes or services, or to innovate around existing ones. The focus was on commercialisation, growth and scale-up, with priority given to projects that would lead to growth, productivity gains or access to new overseas markets. For the first time, Innovate UK had to not only identify businesses that would benefit from public funding but also decide whether they would be able to repay the capital on time and pay interest during the life of the loans.

By the end of 2018, nearly all of the loans from the pilot phase were in place. Nigel is pleased

that interest came from around the UK. First successful applicants included CitiLogik, G-Volution, Alert Technology, Alcove, Catagen, Utonomy, 3-Sci and Lightfoot.

Innovate UK Loans Ltd has already committed some £30 million in

innovation loans. The list of successful applicants now also includes Loowatt, nuron, C-Enterprise, Callaly, The Electrospinning Company, Ashwoods Electric Motors, KwickScreen and Valuechain.com.

**“The challenge was to come up with something completely new that no one in the UK had ever done before.”**

**NIGEL WALKER, HEAD OF INNOVATION LENDING AT INNOVATE UK**



## #BPROUD

Proud to support Pride

**On 14 July 2018 more than 36,000 people took to the streets of Bristol to celebrate and support Pride, taking a positive stance against discrimination and violence towards lesbian, gay, bisexual and transgender people while promoting equality and diversity.**

For the third year running, a team from Burges Salmon joined the record-breaking 12,000-strong parade through the city, walking from Castle Park to Millennium Square with a banner and Burges Salmon t-shirts demonstrating its support for the event. Burges Salmon also had a stand at the main festival in the Square, where people of all ages and

backgrounds came to speak to the team to find out more about the firm, and where it handed out branded goodies.

John Smith from the firm's Employment team led the participation in the event, supported by a team of volunteers from across the business including senior Real Estate lawyer Michael Bray. Michael says: "It's great to see how, as a firm, we are able to take a lead in the legal sector on what we're doing to promote diversity and inclusion, and to support the LGBT+ community. Through Pride and PROUDBristol, we want to empower people to go back and make change in their own

businesses, as well as encourage an inclusive and accepting environment at Burges Salmon."

John continues: "We had some incredible feedback from local professionals getting in touch after the Pride event, saying how positive it was to see Burges Salmon standing out for diversity and LGBT+ rights. It was great to have the opportunity to speak to the community about the what the firm is doing for diversity and inclusivity generally, in particular through our LGBT+ initiatives."

John and Michael were heavily involved in the launch of the firm's B Proud internal LGBT+ society, which meets regularly for social events and supports

a number of networking initiatives including attending the annual Bristol Pride Gala Ball. B Proud plays a key role in raising awareness of the firm's LGBT+ initiatives and collaborated with the firm's caterers BaxterStory as well as its Marketing, PR and Design teams to deliver such a successful representation at Pride. BaxterStory produced special Pride cakes in the week before the event, helping to highlight the cause.

B Proud has also been instrumental in the formation of PROUDBristol, which is a new network for professionals working in and around Bristol, extending beyond the legal industry to include a number of other professions such as bankers, engineers and planners. John says: "There were a few different local organisations and we collaborated with others to bring them all together, drawing professionals from all sorts of fields for monthly meetings and social events."

**"It's great to see how, as a firm, we are able to take a lead in the legal sector on what we're doing to promote diversity and inclusion."**

**MICHAEL BRAY,  
SENIOR REAL ESTATE LAWYER  
AT BURGESS SALMON**

The firm is a member of Stonewall's Diversity Champions programme, which is the leading employers' programme for ensuring all LGBT+ staff are accepted without exception in the

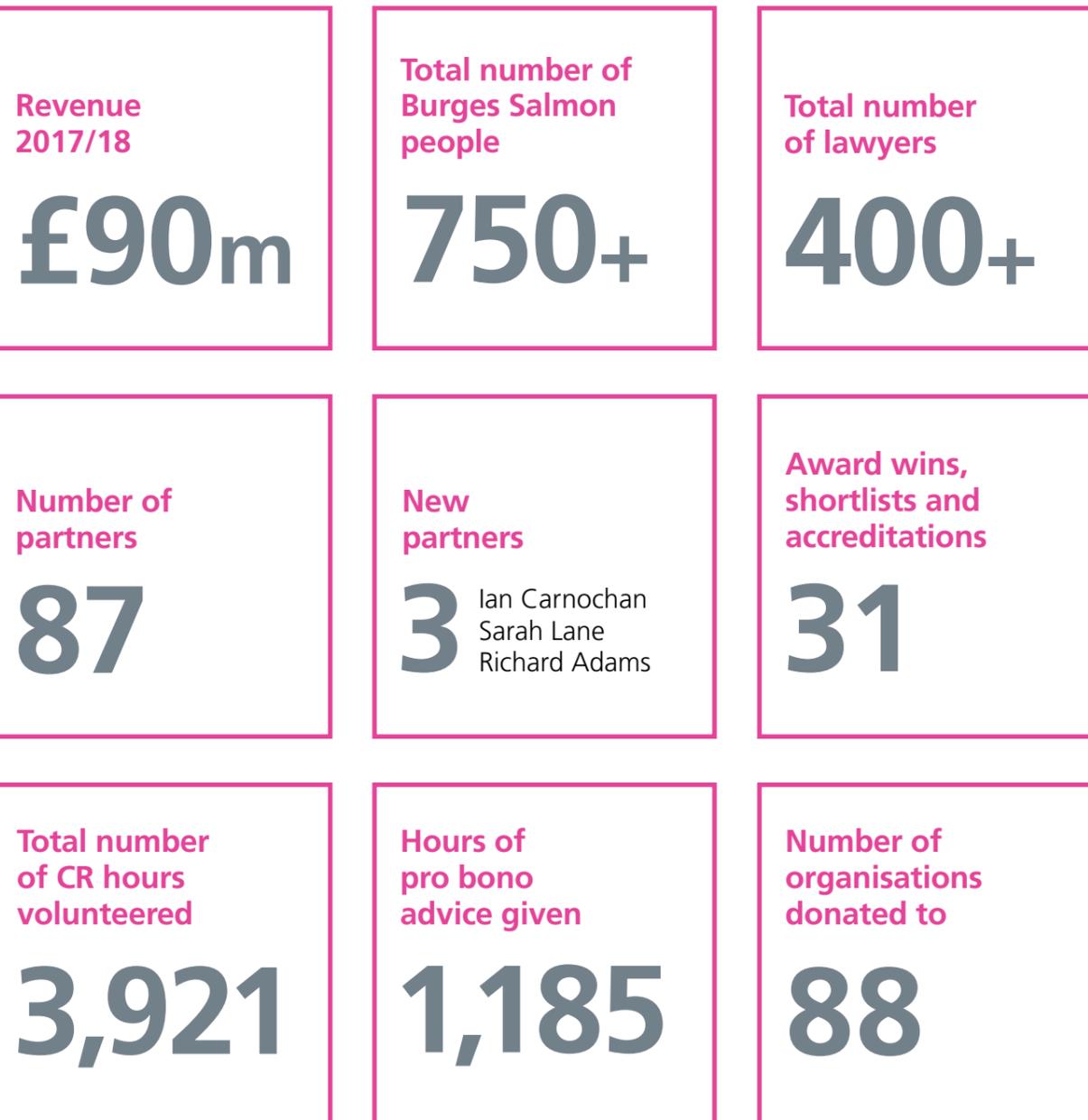
workplace, and also works with six of the other large law firms in Bristol to promote diversity in the legal industry.

Burges Salmon partner and head of the firm's Diversity and Inclusion Group, Liz Dunn, concludes: "We value a diverse workforce and the contribution each individual makes. Our culture is open and collaborative and we strive to promote an inclusive environment where everyone feels they can be themselves at work.

"To top off a great year, we were honoured in November to have been named Best Law Firm at the Bristol Pride Awards for the second year running, which is fantastic recognition of our continued work supporting LGBT+ initiatives across the firm and the wider community. Many thanks to everyone involved in B Proud, and our allies and ambassadors across the firm, for supporting and celebrating diversity this year."

# OUR YEAR IN NUMBERS

Facts and figures from around the business



“Burgess Salmon was in the room with us throughout many of these negotiations, giving us advice quickly and providing that joined-up cohesive support. It has been a hugely positive experience working with the firm.”

ALEXIA COURSE, DIRECTOR OF RAIL OPERATIONS  
AT TRANSPORT FOR WALES

---



Follow us on Twitter @Burgessalmon

**[www.burgessalmon.com](http://www.burgessalmon.com)**

One Glass Wharf, Bristol BS2 0ZX **T** +44 (0) 117 939 2000 **F** +44 (0) 117 902 4400  
6 New Street Square, London EC4A 3BF **T** +44 (0) 20 7685 1200 **F** +44 (0) 20 7980 4966

Burgessalmon LLP is a limited liability partnership registered in England and Wales (LLP number OC307212), and is authorised and regulated by the Solicitors Regulation Authority. It is also regulated by the Law Society of Scotland. Its registered office is at One Glass Wharf, Bristol BS2 0ZX. A list of the members may be inspected at its registered office. Further information about Burgessalmon entities, including details of their regulators, is set out on the Burgessalmon website at [www.burgessalmon.com](http://www.burgessalmon.com).

© Burgessalmon LLP 2018. All rights reserved. Extracts may be reproduced with our prior consent, provided that the source is acknowledged.

