

Public Private Partnerships (PPPs)

Lead-in

1 Read this text. Who is it about?

An American business magnate and philanthropist, he co-founded the Standard Oil Company in 1870 and revolutionised the petroleum industry. As kerosene and gasoline grew in importance, his wealth soared. He became the world's richest man and so rich that he bought out most of his competitors and controlled almost 90% of the oil refined in the US. Taking inflation into account, he is regarded as the richest person in history.

2 Look at these sectors and discuss the questions below.

- schools and education services
- housing and urban planning
- hospitals and healthcare
- utilities, e.g. water, gas, electricity, telephone
- infrastructure (i.e. roads) and transport
- police and security services, prisons, courts, army

- 1 In which of these areas does the private sector operate or help fund public services in your country?
- 2 Are there any services that were state-owned but are now being privatised?
- 3 What do you think about the quality of private versus public services?
- 4 Do you know if the situation is the same in other countries?

Input

1 You are going to listen to the first part of a radio discussion about Public Private Partnerships. Before you listen, mark these sentences true (T) or false (F).

- 1 An example of a Public Private Partnership is using a private company to prepare food for inmates in a prison.
- 2 Private Finance Initiatives (PFIs) are used to renovate old public buildings.
- 3 Using PFIs, governments can have buildings constructed but not pay for them upfront.
- 4 PFIs exist all over the world.
- 5 There can only be one building on each PFI contract.
- 6 In PFI projects, the private company only builds the buildings and infrastructure.
- 7 PFI contracts usually last for 20 years.
- 8 When the contract has ended, the private company owns part of the public asset.
- 9 PFIs create unemployment in the public sector.

2 21.1 Listen and see if you were right. Correct the false statements.

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3 Match these words to their definition below.

to fund cardboard dilapidated a consortium

to run ownership to overrun dated

- 1 an association or combination of businesses, financial institutions or investors, for the purpose of engaging in a joint venture
- 2 to control, manage, or direct
- 3 to allocate or provide money for a programme / project
- 4 a material similar to thick, stiff paper
- 5 legal right to the possession of a thing
- 6 in a state of deterioration
- 7 old-fashioned
- 8 to go further than the normal or desired limit

4 ▶21.2 Listen to the next part of the discussion and write down the pros and cons of PFI projects. Check with a partner.

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Language focus

1 Discuss the difference between using *is* and *are* in this sentence.

The government *is / are* planning to spend more on PFIs.

2 Can you think of any other nouns that work like this?

3 English contains lots of compound nouns (noun + noun). The first noun is normally singular. Check in a good dictionary for usage of hyphens as this varies greatly. Put these nouns together to make compound nouns. There may be more than one combination for each of the nouns.

taxpayer initiative buildings private sector projects facilities service
charge unemployment money community problems method finance
worker staff public sector Special Purpose termination Vehicles
procurement capital-intensive projects building procedures UK

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4 Match some of the compound nouns from 3 to their definition below.

- 1 An additional charge for a service for which there is already a basic fee.
- 2 Procedures used by the procuring entity to acquire goods, services and works.
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- 3 Expensive plans, proposals or schemes.
- 4 Library, museum, town hall, fire station, police station, etc.
- 5 Another term for private consortiums.
- 6 The steps that lead to ending a contract.

5 Underline the word in each group that has a different stress pattern.

- 1 finance service provide
- 2 initiative unemployment community
- 3 expensive capital intensive
- 4 projects include purpose
- 5 procurement procedures taxpayer
- 6 facilities termination consortium

Task

1 You are going to discuss your views on Public Private Partnerships. Make notes to answer the following questions, asking your teacher for vocabulary if you need it.

1 What are the advantages and disadvantages of private sector involvement in public services?
Consider the following points:

- accountability
- political risk
- contracting
- employment rights
- public interest
- competition
- value for money
- financial risk
- culture gap

2 The radio discussion you listened to outlined PFIs in the UK. Is the model different in your country?

3 Are there any services that the private sector should not fund or operate? Why / Why not?

4 Do you think publicly funded services will disappear in the future?

2 Now discuss your ideas with your group.

3 Your teacher will ask you to summarise your thoughts to the class. Does everyone have the same opinion?

Review
