

Public Private Partnerships (PPIs)

Lesson description

In this lesson you will discuss your views on PPPs, thinking about the advantages and disadvantages of private sector involvement in public services. You will listen to a discussion and complete a summary of their arguments.

Aim

Discussing your views.

Language

Collective nouns.

Compound nouns.

Task

The task for this lesson is for learners to discuss their views on Public Private Partnerships.

Materials

Handout

Audio files 21.1 and 21.2

Suggested running order

Lead-in	Read a short text and discuss questions.
Input	Listen to a radio discussion on PPPs.
Language focus	Notice collective nouns and create compound nouns.
Task	Make notes on a set of questions. Discuss the questions. Report back to the class.

Lead-in

- 1 Ask students to read the text to find out who it is about.

Answer

John D. Rockefeller. He founded the Standard Oil Company which is an example of a private company producing oil for many public services.

- 2 Organise the students in pairs or small groups. Ask students to discuss the questions in relation to the different areas.

Input

- 1 Tell the students they are going to listen to the first part of a radio discussion about Public Private Partnerships. Ask them to read through the sentences with a partner and decide if they are true or false.
- 2 ▶21.1 Play the audio and ask students to check their answers and correct the false statements.

Answers

1 T	4 T	7 F
2 F	5 F	8 F
3 T	6 F	9 F

- 3 Tell students that these are some expressions that come in the next part of the listening. Ask students to work in pairs and match the words to their definitions. Monitor and check meaning and pronunciation as appropriate.

Answers

1 a consortium	3 to fund	5 ownership	7 dated
2 to run	4 cardboard	6 dilapidated	8 to overrun

- 4 ▶21.2 Ask students to listen to the next part of the discussion and write down the pros and cons of PFI projects. Then get them to compare their answers in pairs.

Answers

Pro:

The private sector should help the public sector run the services more cheaply.

Cons:

Could cost the public sector more.

Not good value for money for the public sector.

Would be cheaper to build and run public buildings with public money.

Public sector projects almost always overrun.

Poor quality of the projects (buildings will be dilapidated and dated).

Difficult to terminate contracts.

Can cost the UK taxpayer lots of money.

No one will know the true cost for a long time.

Language focus

- 1 Ask students to discuss the difference between using *is* and *are*.

Answer

The government is planning to spend more on PFIs. (= one body)

The government are planning to spend more on PFIs. (= a group of individuals)

Clarify that:

Some nouns that describe groups of people (collective nouns) are singular in form, but take a singular or plural verb, depending on how we think of them.

2 Ask students to think of other nouns that work like this.

Possible answers

majority, public, army, council, management, class, team, sector, staff, and names of companies or organisations (e.g. Coca Cola, Barclays, the UN, UNICEF, etc.)

3 Tell students that there are many compound nouns in English (possibly compare this with their own language).

Ask students to put the nouns together to make compound nouns and tell them that more than one combination might be possible. Monitor closely to check they are making correct / natural collocations.

Some possible answers

private sector / public sector: buildings, worker, staff, projects, building, money

finance initiative

capital-intensive projects

community projects / service

service charge

unemployment problems

Special Purpose Vehicles

termination procedures

UK taxpayer

4 Ask students to match the correct compound noun to the definitions.

Answers

1 *service charge*

3 *capital-intensive projects*

5 *Special Purpose Vehicles*

2 *procurement method*

4 *public sector services*

6 *termination procedures*

5 Ask students to underline the word in each group that has a different stress pattern. Students can do this in pairs, practising saying the words.

Answers

1 *provide*

3 *capital*

5 *taxpayer*

2 *unemployment*

4 *include*

6 *termination*

Task

1 Tell students they are going to discuss their views on Public Private Partnerships. Ask them to make notes to answer the questions. Encourage students to ask you for vocabulary if they need it. Set a time limit.

2 Ask students to discuss their ideas with their group.

3 Select students to summarise their thoughts to the class. Ask students while they are listening to think about whether the whole class has the same opinion.

Feed back on language and review of learning objectives.

Audio script

21.1

P = presenter; G = Grace; F = Francis

P Good morning and welcome to today's show. Today we're talking about Public Private Partnerships and we have here with us in the studio Grace Peters and Francis King. Good morning to you both.

G Morning.

F Hello.

P So, what exactly are Public Private Partnerships?

G Well, traditionally, Public Private Partnerships worked more or less like outsourcing, for example the competitive tendering for cleaning and catering in prisons, but now it's really moved on from that. The Private Finance Initiative became the government's main source of funds for new public-sector buildings. It's basically a procurement method, using private sector money to enable the government to build capital-intensive projects without increasing public spending.

P Is this a worldwide phenomenon?

G More or less. The idea came about in the UK and Australia and now Spain has lots of them. They're becoming commonplace all over the world actually.

P Can you give our listeners an example?

G There are lots, more than you'd think. Most public services like schools, hospitals, prisons, have some sort of PFI involvement. And now the initiative has grown so much that there are even combinations of schools and other community facilities like libraries all on one contract.

P So, how have PFIs become so widespread? Why are they so successful?

G In theory, PFI gets money into public services quickly. The private companies provide the money and actually build the new schools or roads. It doesn't stop there though because they also run these services.

P How long for?

G 25 or 30 years usually, over which time the government pays rent and service charges. There are contracts for less than 20 and more than 40 years but these are much rarer. Don't forget, it's the government who keeps the actual ownership of the assets.

P I see. But doesn't this create unemployment problems for the public sector? I mean, wouldn't a public sector worker be out of a job?

G That's a possibility but sometimes public sector staff have their contracts transferred to the private sector.

21.2

P = presenter; G = Grace; F = Francis

P So what do you see as the advantages of this private funding into public services?

G Well, the theory is that the private sector is more efficient, so theoretically it should be able to run the public services more cheaply than the public sector. In reality though, it could cost the public sector more.

P How's that?

G Well, PFIs are designed to generate as much profit as possible for private consortiums, also known as Special Purpose Vehicles. For example, Hairmyres Hospital in South Lanarkshire cost £68m but the consortium will get 10 times that over the next 30 years.

F Yes, the value for money isn't good for the public sector. It almost definitely would have been cheaper to build and run the hospital with public money.

G Well I'm not sure about that. Public projects that are purely funded by the public sector almost always overrun. The time and cost overrun can be enormous, certainly much more than private sector projects.

F There's one thing we're missing here which is the quality of these projects. Lots of the building projects look like they're made out of cardboard. They'll be completely dilapidated and dated in a couple of years, and the public sector will still be paying for them.

P So who sets out the rules on what the private consortium is expected to build?

F The public sector, and if the private consortium doesn't build what they said they would, the public sector can terminate the contract, but the termination procedures are so complicated that termination is considered a last resort.

P And when these PFIs don't go as planned, what's the consequence for normal people?

F Well, let's take London Underground as an example. Two private companies were created in order to help London Underground in a PPP but they've both now been taken into public ownership because of financial difficulty and this has cost the UK taxpayer a fortune.

P Well, I guess the truth is that no one will really know the full cost of PFIs for a good few years. Thank you both very much. Let's open up the lines and see if any of our listeners have any questions or comments.