

LOCAL GOVERNMENT INFORMATION UNIT
NEWS RELEASE

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Into the PPP minefield

The Local Government Information Unit (LGIU) today published a new series of eleven factsheets on local authority involvement in public private partnership schemes (PPPs).

Local government private finance schemes are notoriously complex and technical, yet they can have profound effects on communities and service users. The LGIU believes that frontline councillors and local people need to be more involved in scrutinising PPP schemes and that councils need to be more open and consultative over them. A number of the factsheets explore how the process can be opened up, considering how the Freedom of Information Act may be a useful tool and how councils' scrutiny committees could review PPPs.

These LGIU factsheets provide a critical analysis of PPPs, looking at individual services such as housing and education. Many examples are used about the experience of PPP schemes across the country.

Aimed at councillors, council officers and trade unionists the factsheets cover the following topic areas:

- Private finance: a critique
- Value for Money and PFI Schemes
- PPPs Value for Money and Risks
- Education Capital Schemes
- Education Service Delivery
- Housing PFI
- Overview and Scrutiny
- Open Government and PPPs
- Consultation with the Workforce
- Race Relations
- Strategic Service Delivery Partnerships

The factsheets can be downloaded through the LGIU's website at www.lgiu.gov.uk from the e-publications section.

Janet Sillett, LGIU policy officer and author of the PPP factsheets, said: "Partnerships with the private sector are a minefield of complexity for local authorities. When they go wrong, the consequences can be disastrous for the users of local services - and local taxpayers.

"There has been an over-reliance on, and an over-confidence in, the capacity of the private sector to take on large capital projects. The private sector's need to make profits has sometimes outweighed any of the over-hyped efficiency gains. Contrary to all the dogma, PPP has not provided good value for money. Taxpayers will be paying what are often the exorbitant costs of these schemes for decades to come.

"These factsheets trace how the PPP idea has developed and considers how the procurement process can be opened up to scrutiny. There has been very little in the way of open government where PPP and PFI are concerned. We want councillors to use the tools now at their disposal to change this. "